

Consolidated Annual Performance and Evaluation Report

for the

2001 Program Year
(July 15, 2001, through July 14, 2002)

Submitted to the the U.S. Department of Housing & Urban Development (HUD) on October 14, 2002

Prepared by

City of Fresno
Department of Housing, Economic and Community Development
2600 Fresno Street, Room 3076
Fresno, California 93721-3605
(559) 621-8507

ALAN AUTRY, MAYOR

FRESNO CITY COUNCIL

Henry Perea, Council President, District 7
Tom Boyajian, District 1
Brian Calhoun, District 2
Dan Ronquillo, District 3
Brad Castillo, District 4
Sal Quintero, District 5
Jerry Duncan, District 6

**FRESNO HOUSING AND
COMMUNITY DEVELOPMENT**

Luisa Medina, Chair
Mick Goodenough, Vice Chair
Blanche Milhahn
Daniel Payne
Hanno Powell
Gwen Robinson
Vacant

CITY OF FRESNO STAFF

Daniel G. Hobbs, City Manager
Ruthie Quinto, City Controller
Fred Burkhardt, Director
Department of Housing, Economic and Community Development
William Hussmann, Housing and Community Development, Director
Sharon Elizondo, Housing and Neighborhood Revitalization Manager
N. Dean Huseby, Management Analyst III
Crystal Smith, Management Analyst I

Table of Contents

Introduction	1
New Resources Made Available Within the City of Fresno	4
HUD Program Year 2001 Annual Action Plan	6
Assessment of Program Year 2001 Annual Action Plan	
Goals and Accomplishments	7
General Housing Plan	7
New Construction of Affordable Housing - Goal 1	7
Affirmatively Furthering Fair Housing - Analysis of Impediments ..	18
Housing Rehabilitation Program - Goal 2	26
Lead Based Paint Regulations	37
Leveraging of Funds for Housing Programs	38
Redevelopment and Relocation - Goal 3	40
General Plan Update - Goal 4	40
Non-Housing Community Development Plan	48
Public Facilities and Improvements - Goal 5	48
Crime Awareness - Goal 6	61
Anti-Poverty Plan	69
Emergency Shelter and Transitional Housing / Prevention of	
Homelessness / Permanent Housing for Homeless - Goal 7	69
Continuum of Care Plan	69
Emergency Shelter Grant (ESG) Program	71
Supportive Housing Program (SHP)	74
External Support - Public Services - Goal 8	75
Other Public Services Funding	76
Economic Development - Goal 9	79
Monitoring - Goal 10	83
Affirmative Marketing - Minority Business Enterprise and Women	
Business Enterprise Analysis	84
Additional Resources Available Through Collaborative Efforts with the Fresno	
City and County Housing Authority	88
Intergovernmental Cooperation	88
Housing Programs	89
Housing-Related Self-Sufficiency Programs	90

Consolidated Annual Performance and Evaluation Report
2001 Program Year

City of Fresno Self Evaluation of the 2001-2002 Annual Action Plan	91
Public Review and Comment	96
Public Review	97
Written Comments	97
Results of the Comment Period	97
Changes to Text During 15-Day Review Period	98
Summary of Program Year Accomplishments	99
Amendments to Annual Action Plan	100
Notice of Public Review	101
Exhibit	102
HUD Form - Summary of Accomplishments	103
Summary of Housing Accomplishments	104
Summary of Community Development Accomplishments for Public	
Facilities and Improvements	105
Summary of Community Development Accomplishments for Public	
Services	106
Summary of Community Development Accomplishments for	
Economic Development	107
Financial Summary - Grantee Performance Report	108
Financial Summary Performance Grantee Report -	
IDIS Form C04PR26	109
Project Summary Financial Report	115
Project Summary Financial	116
HUD HOME Match Report	119
(Document Available in Housing Economic and Community Development)	
Maps	120
CDBG Eligible Areas	121
Concentration of Asian Americans	122
Concentration of African Americans	123
Concentration of Hispanics	124
Public Comments and Responses	125

INTRODUCTION

The City of Fresno receives an annual allocation of Community Development Block Grant (CDBG) funds, Home Investment Partnership Act (HOME) funds and Emergency Shelter Grant (ESG) funds from the United States Department of Housing and Urban Development (HUD). HUD requires that all jurisdictions which receive these grants prepare a four-year Consolidated Plan and an Annual Action Plan. Further, HUD requires that the City of Fresno prepare an annual performance report known as the Consolidated Annual Performance and Evaluation Report (CAPER). The performance report, due to HUD on October 14, 2002, must describe the status and accomplishments of all activities funded by the three programs during the twelve month period ending July 14, 2002.

Accordingly, the City of Fresno prepared the CAPER report on the status of progress and performance of the Consolidated Plan and the Annual Action Plan. The Annual Action Plan identified specific projects and programs which were to be implemented in the HUD Program Year 2001. Essentially, HUD intends the CAPER report to cover the period of July 1, 2001 through June 30, 2002, which is the time period used by HUD's Integrated Disbursement and Information System (IDIS). Also, it is the time period that the City of Fresno refers to as Fiscal Year 2002 (FY 02). However, the City's official time frame for the Annual Action Plan, CAPER, and IDIS is July 15, 2001 through July 14, 2002. This report references either time frame, as applicable. It should be noted that the City has changed its fiscal year to a July 1 through June 30 cycle. This takes affect on July 1, 2002, and will affect the CAPER for Program Year 2002.

The City's Four-Year Consolidated Plan (2000-2004) was a comprehensive approach in identifying the housing and community development needs of its low- and moderate-income residents. One of the City's primary objectives was to address the need for increasing the affordable housing opportunities for low-moderate income households which includes minorities, persons with disabilities, the homeless, large families, persons living in substandard housing and persons paying rent that exceeds 50% of monthly income. Programs were identified that would improve both the quantity and quality of the affordable housing stock in the city. Other objectives identified in the Consolidated Plan included upgrading the city's infrastructure needs in low- and moderate-income neighborhoods, initiating programs to reduce crime, undertaking a strict code enforcement program and reducing homelessness in the city.

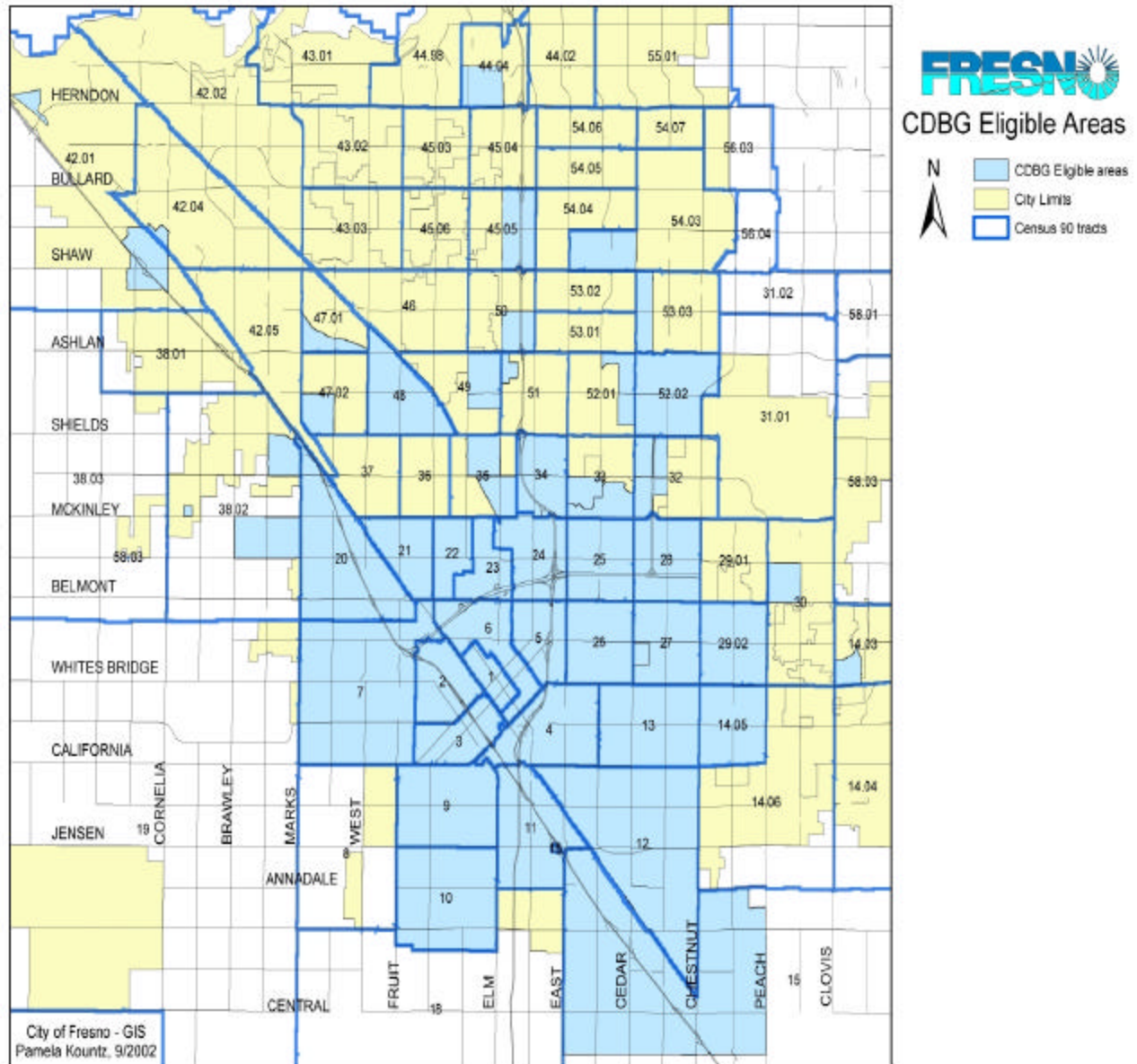
On April 9, 2002, the City Council adopted the following housing policies: 1) Improve and preserve the quality of housing in our existing neighborhoods; and 2) Increase the quantity of affordable housing. As part of the action, the Council approved two recommendations identifying several programs that could be implemented to address City needs. Since the policies were adopted late in the fiscal year, it did not impact Program Year 2001, but will be reflected in funding decisions for Program Year 2002.

This CAPER reports on the second year of the four-year Consolidated Plan (2000-2004), adopted by the City Council on May 16, 2000. The CAPER begins with a narrative that addresses the ten goals in

the same order as they are described in the City of Fresno Annual Action Plan, adopted June 19, 2001. A number of federal forms are not included in the public review version of the CAPER, since the information is more clearly described in the narrative than on the federal computer coded, detail forms. These forms are available for public review upon request in the Department of Housing, Economic and Community Development, Room 3076, Fresno City Hall, 2600 Fresno Street, Fresno, California 93721-3605. For further information, the public may contact Dean Huseby at (559) 621-8507.

Additionally, this performance report includes narratives and data provided from each City department using HUD funding, the City Budget Division's internal record-keeping system, the HUD-sponsored IDIS accounting programs, and other outside sources, such as the Housing Authorities of the City and County of Fresno.

Throughout the report, references are made to CDBG target areas. A map describing these CDBG target areas is shown on the next page. The target areas are census tracts and block groups where more than 51% of the residents had low and moderate incomes as reported in the 1990 U.S. Census. Data from the 2000 Census was not available for this program year.



Map 1

NEW RESOURCES MADE AVAILABLE WITHIN THE CITY OF FRESNO

Figure 1, below, indicates the amount of funds awarded to the City of Fresno from various funding sources and under various programs for HUD Program Year 2001. Additionally, the table in Figure 1 includes federal, redevelopment, and private funds administered by the City of Fresno.

RESOURCES AVAILABLE TO THE CITY OF FRESNO HUD PROGRAM YEAR 2000			
Funding Source	Program	Amount	Comments
CONSOLIDATED PLAN	Community Development Block Grant (CDBG)	\$ 8,540,000	New CDBG funding to support several housing and community development programs in combination with HOME and ESG sources. Funding impacts low-moderate income people, 100% of the CDBG funds benefitted this target group. CDBG program income collected during the program year totaled \$569,570.32.
	HOME Investment Partnership Act (HOME)	\$ 3,908,000	New HOME funding to support programs in combination with CDBG and Tax Increment. HOME program income collected during the program year totaled \$153,464.44.
	Emergency Shelter Grant (ESG)	\$ 291,000	New ESG funding anticipated to be expended in prior year but were not, hence became available.
	Rental Rehabilitation Program (RRP)	\$ 400,000	Program income from a former HUD grant. \$95,750 was expended and \$32,500 was encumbered for senior paint projects.
OTHER	20% Housing Set-Aside (HSA)	\$ 1,716,849	In addition, the City received \$1.575 million from the Federal Aviation Administration for the SMART program.
	Leveraged Funds	\$ 31,691,408	Funding used as leverage, owner's contribution or private lenders for projects funded with CDBG and HOME funds.

Figure 1

RESOURCES AVAILABLE TO CITY AND COUNTY HOUSING AUTHORITY HUD PROGRAM YEAR 2002		
Consolidated Plan Funding Sources		
Program	Amount	Comments
Public Housing Program	1,230 households	This figure includes public housing units throughout the City including 80 in Pinedale.
Comprehensive Grant Program	\$2.58 million	
Farm Labor Housing	40 households	
CHFA Section 8 New Construction	50 households	
Emergency Housing	30 units	
Home Ownership Opportunities	77 units	
Mortgage Credit Certificates (MCC)	45 households	
Homeowner Training Program	300 participants	
Section 8 Rental Assistance	<u>6,007 households</u>	
Total	7,779 households	

Figure 2

The single largest source of affordable housing in the City is provided by the Housing Authorities of the City and County of Fresno. Figure 2 provides a listing of the Housing Authority programs. The Housing Authority manages and maintains 1,230 public housing units in the City of Fresno as of June 30, 2002. The agency owns and manages 40 farm-labor housing units occupied year-round by farm worker families. The agency also owns and manages an additional 50 multi-family unit complex financed by California Housing Finance Agency and subsidized by the Section 8 New Construction Program. The Housing Authority also provides Section 8 rent subsidies to about 6,007 families who live in the City of Fresno which is substantially less than the 6,781 vouchers last year. A three-year contract with HUD for nearly 800 vouchers expired during the program year. Additional information about the Housing Authority is reported on page 88.

HUD PROGRAM YEAR 2001 ANNUAL PLAN

The Four-Year Consolidated Plan, dated May 16, 2000, identified ten priorities for Community Development Block Grant (CDBG), Home Investment Partnership Act (HOME), and Emergency Shelter Grant (ESG) funds. These ten priorities address the most critical housing and community development needs in the city. Since resources are limited, the City Council must annually review the priorities identified in the Four-Year Consolidated Plan and adopt a program, called the Annual Action Plan, that concentrates on some of the ten priorities. As needs are addressed, funding levels may shift from one priority area to another from year to year.

In the 2001 Program Year, the City Council adopted a program that primarily addresses the following five priority needs: 1) public facilities, 2) housing rehabilitation and acquisition (including code enforcement), 3) new construction of affordable housing, 4) crime awareness, and 5) emergency shelters and transitional housing. City staff continued to work on the General Plan and completed the Housing Element update using local funds. The City stepped up ongoing monitoring of the three federal programs using grant funds available for that use.

The ultimate success of the Annual Action Plan is based on the ability of the City to allocate its funds in ways that will maximize the impact on the city's neighborhoods and its low- and moderate-income residents. In some cases, such as with the HOME and ESG programs, the City, and/or the agency receiving the funds, are required to provide "match" funds to meet program requirements. For example, private donations, volunteer hours and State and local grants to homeless service providers are all used to match ESG Program funds. For the HOME program, match may be in the form of: waived recording fees by the Fresno County Recorder's Office; program income from the Rental Rehabilitation Program (a previously closed-out grant); City's tax increment; sweat equity; and the present value of the interest subsidy for loans made at rates below market in conjunction with the DAP and LIHP programs. For this report, "matching funds" mean locally-generated funding sources that are required to be contributed to the project.

In other cases, grants funds "leverage" other local funds. In this report, leveraging of funds means that the funds are generated by the project without being required by the funding source. Examples of leveraging by the City of Fresno include home loans funded through private lenders in conjunction with the City's DAP and LIHP programs.

In addition to leveraging, the efficient use of funds includes the establishment of valid and cost effective programs which address the priorities established in the Consolidated Plan. Also, it includes recognition that there are agencies and organizations that may be better equipped than the City to implement certain programs in order to meet specific community needs. The Consolidated Plan process has developed into a partnership linking numerous public, nonprofit and private organizations for maximum effect.

ASSESSMENT OF PROGRAM YEAR 2001 CONSOLIDATED PLAN ONE-YEAR ACTION PLAN GOALS AND ACCOMPLISHMENTS

Within the context of the ten priority needs identified in the City's 2000-2004 Consolidated Plan, ten goals were adopted in three Plan components. These included the following:

General Housing Plan

- Goal 1 - New Construction of Affordable Housing
- Goal 2 - Housing Rehabilitation Program
- Goal 3 - Redevelopment and Relocation
- Goal 4 - Plan Improvements

Non-Housing Community Development Plan

- Goal 5 - Public Facilities and Improvements
- Goal 6 - Crime Awareness

Anti Poverty Plan

- Goal 7 - Emergency Shelter and Transitional Housing / Prevention of Homelessness /
Permanent Housing for Homeless
- Goal 8 - External Support and Coordination of Services
- Goal 9 - Economic Development

- Goal 10 - Monitoring

GENERAL HOUSING PLAN

New Construction of Affordable Housing - Goal 1. Increase housing opportunities for very low- and low-income families with an emphasis on households with five or more members through new home construction and increased ownership opportunities.

Action Taken:

Community Housing Development Organization (CHDO) - Eligibility: Low/Mod Housing Benefit.

Villa Del Mar Project: During the 1998 Program Year, the City Council considered a project submitted by Housing Assistance Corporation / Housing Authority to expend \$907,900 in HOME - CHDO funds to construct 48 three-bedroom units for large families with three units accessible to persons with disabilities. The total project cost is approximately \$5.9 million. The project was completed on February 7, 2002 and 100% of the units are occupied. All of the funds have been expended. The CHDO funds were as a grant to payoff interim construction financing upon completion

of the project. The HOME Program affordability period will be for twenty years, but since this project includes tax credits, the actual affordability period will be extended to fifty-five years. Other project funding includes grants and/or loans from the State Tax Credit Allocation Committee (TCAC), Sanwa Bank, California Housing and Community Development Multifamily Housing Program, State Families Moving to Work Program and the Housing Authorities of the City and County of Fresno.

NOAH Project: During the 2001 Program Year, Neighborhood Opportunities for Affordable Housing (NOAH), a locally-certified CHDO, began construction on six single-family, three- and four-bedroom houses. The houses are restricted to low income families having incomes less than 80% of the area median income. The project is located on Eleventh Street, south of McKinley Avenue which is a CDBG target area. At the close of the Program Year, construction was completed on the six units. Two of the houses are in escrow, three houses are pending and a purchase application is being processed on the sixth unit. The total HOME-CHDO contract for the project is \$682,000. The project meets the HUD guidelines for affordability and recapture of funds.

Crossroads Project: In 1994, the City used its CHDO funds for a Habitat for Humanity project to construct the 89-lot Crossroads subdivision on the northeast corner of Fruit and Jensen. To date, seventeen houses are occupied, four nearing completion and two with foundations poured. HUD and the City have been concerned about the length of time that it has taken Habitat for Humanity to build out the subdivision with affordable housing. At this point in time, the City has made an offer to Habitat that would put the project back on track. Habitat has rejected the offer. The City is reviewing its options for the project, since Habitat has defaulted on its commitment to the City.

Harvest Acres - Self Help Enterprises (SHE) Project: During the 2001 Program Year, the City has awarded \$850,000 in HOME-CHDO funding to SHE for a 21-lot, single family subdivision located on the south side of Church Avenue east of Chestnut in Southeast Fresno. The units are to be completed in two phases consisting of ten and eleven units per phase. Commitments of City HOME funds will be provided from the City's FY 2001 and FY 2002 CHDO allocations. Property has been acquired, grading work has been done and utilities and drainage lines are being installed. Construction is to begin on the first phase of homes in October 2002 and should be completed by July 2003. Construction on the second phase will begin in July 2003, and completed by April 2004. The affordability period will be fifteen years.

Other CHDO Activities - Upon request, the City has provided technical assistance to nonprofit agencies interested in becoming a CHDO. During the program year, the Fresno West Coalition for Economic Development was certified as a CHDO and Fresno Downtown Neighborhoods Community Development Corporation (affiliated with One by One Fresno Leadership

Foundation) is in the process of being certified. They are waiting for the IRS to issue their 501(c)(3) letter. In addition, a group from the Tower District has expressed an interest in becoming a CHDO, but no formal request has been received.

The City has a requirement that CHDOs be re-certified every two years. Staff is currently working with existing CHDOs to obtain re-certification.

Infill Housing - Mono & C Streets - Eligibility: Low/Mod Housing Benefit, New Housing Construction.

During the 2000 program year, NOAH completed the construction of two homes for large families with the assistance of the Gary McDonald Construction Company. Final bills were paid in Program Year 2001. The three-bedroom, infill homes are located in an established neighborhood directly across the street from an elementary school in southwest Fresno. This project was part of a program where City staff, governmental agencies and private industry worked together in developing the construction and financing process for housing within the inner city. Total HOME funding for the project was \$210,000 with \$8,499.07 expended in the program year. Total funds expended over the life of the project was \$194,229.07. The remainder is being reprogrammed for other projects.

Casas San Miguel Project - Eligibility: Low/Mod Housing Benefit, New Housing Construction.

During the 2002 Program Year, the National Farm Worker's Service (NFWSC) in partnership with the City of Fresno and the Redevelopment Agency, began construction of a three-phase Casas San Miguel Housing Project. The first phase, completed in the program year, involved the construction of thirty-two single-family, three-bedroom homes for low-income families. The thirty-two families assumed possession of their new homes on May 30, 2002. Phase II was to include the construction of a community center, but funding has not been secured. Phase III includes the construction of the final nine homes and is scheduled to commence during 2003 and completed by June 30, 2004. The land valued at \$300,000, co-owned by the City of Fresno and the RDA, was donated to NFWSC as well a \$32,000 in forgiven weed fees by the City of Fresno.

Additionally, NFWSC was awarded a \$250,000 HOME Program (forgivable) grant by the City of Fresno and successfully partnered with other state and county agencies to fund the \$4,271,670 total cost for construction of Phase I. The affordability period runs for 30 years with the Redevelopment Agency and 15 years with City of Fresno.

De Boya Project - Eligibility: Low/Mod Housing Benefit, New Housing Construction.

During the 1997 Program Year, the City \$270,000 in HOME funds to a for-profit developer for pre-development costs to construct nine low income housing units on infill lots in the vicinity of Church and Chestnut. The City has been unsuccessful in working with the developer to complete the project and is now considering its options including foreclosure. The site is located northwest of the intersection of Church and Chestnut in southeast Fresno.

Summary of New Construction Activities (For details, see narrative on pages 7-10)				
Project Name (Type)	Year of City Agreement	Agreement Amount (Source of Funds)	Number of Units	Status
Villa Del Mar (Rental)	1998	\$907,900 (HOME/CHDO)	48	Completed; affordability terms in effect
NOAH Eleventh St. (Single family)	2001	\$682,000 (HOME/CHDO)	6	Construction Completed; 5 Sold
Crossroads (Single family)	1994	\$2,000,000 (HOME/CHDO)	89	CHDO in non compliance; 17 units completed.
Harvest Acres Self Help Enterprises (Single family)	2000	\$850,000 (HOME/CHDO)	21	Infrastructure Construction in Progress
NOAH Mono and C (Single family)	1999	\$210,000 (HOME)	2	Completed; terms met
De Boya	1997	\$270,000 (HOME)	9	Considering foreclosure action
Casas San Miguel (Single family)	2000	\$250,000 (HOME)	32	Completed; terms met

Figure 3

Casa San Miguel



*Casa San Miguel
Homeowners Ceremony*



Villa Del Mar Multi-Unit New Construction



Eleventh Street New Construction

Affirmative Marketing Plan

During the program year, the City approved two affirmative marketing plans: Villa Del Mar and Harvest Acres projects. Both used minority newspapers to market their projects and used local community organizations to assist in their marketing efforts. The Villa Del Mar apartments are fully occupied. Harvest Acres is still in the outreach stage.

Access to Housing for Large Families

Through a variety of City-sponsored programs, the City assisted 187 large families in the following manner:

- Purchase a home with Downpayment Assistance Program - 91
- Purchase a home with Lower Income Homebuyer Program - 5
- Rehabilitation of Owner-Occupied Homes - 1
- Construction of Owner-Occupied Homes - 42
- Construction of Rental Units - 48

Fair Housing Program - Fair Housing Council of Central California (FHCCC) Eligibility: Low/Mod Benefit; Fair Housing.

Fair housing means that all people will have equal access to housing opportunities regardless of race, color, religion, sex, disability, familial status, sexual orientation, source of income, or national origin. The City actively and financially supports the FHCCC to further affirmative fair housing counseling, outreach and education, referral for discrimination complaints, tenant and home buying counseling, and identifying impediments to fair housing.

The FHCCC deals exclusively with fair housing enforcement and related educational activities and provides an immediate and direct influence on activities and decisions of local government, housing providers, financial institutions, insurance companies and low income housing providers involving fair housing issues. Examples of activities taken by the FHCCC include:

- Evaluation of planning and zoning issues and building codes to lessen impacts on seniors and persons with disabilities.
- Analysis of expenditures of federal funds to ensure that requirements to affirmatively further fair housing are met.
- Evaluation of the impact of bank mergers, closures and acquisitions and their impact on those who have traditionally suffered discrimination in obtaining mortgages, financing and refinancing as well as market penetration into minority and integrated neighborhoods.
- Ensuring that people receive equal treatment and access to rental housing.

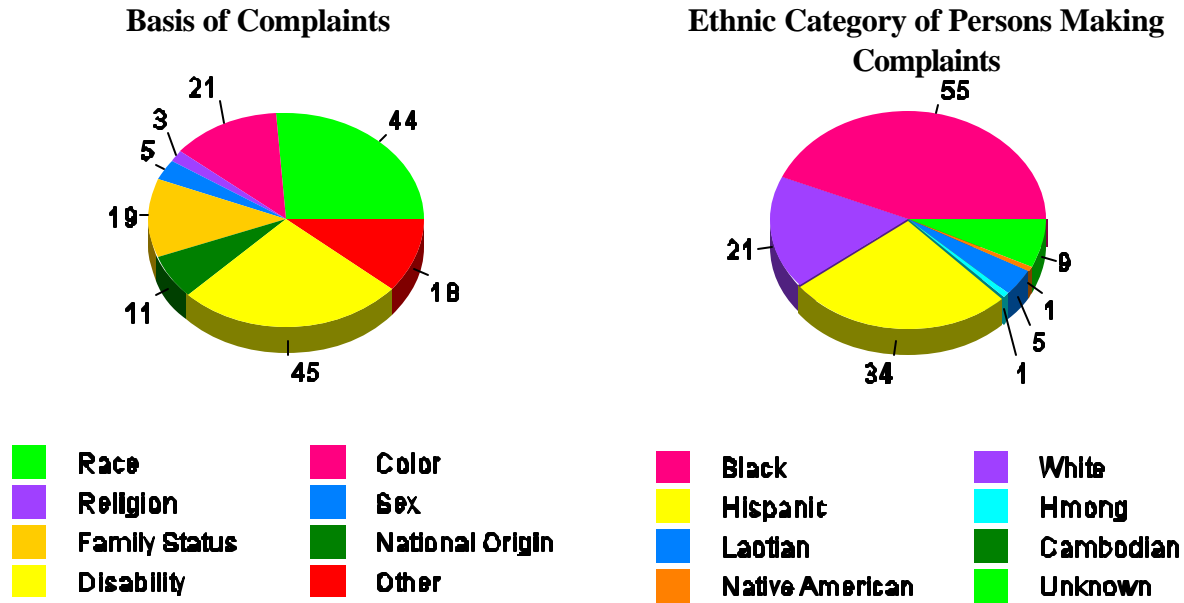
- Resolution of fair housing disputes and complaints.

Below is a description of the accomplishments of the FHCCC during the program year:

- a. Education and Outreach: Seventeen fair housing workshops or training sessions were conducted for housing industry representatives including banking and lending institutions, real estate brokerages, and landlord/property managers. These training sessions consisted of an overview of state and federal housing laws and discriminatory practices in rental, sales, insurance and lending transactions. In addition, the FHCCC conducted twenty-five fair housing workshops for social service agencies that serve protected class members under federal and state fair housing law. Outreach also includes providing information to the general public through media presentations, distribution of flyers and direct contact with the public. In addition, the FHCCC participated in a number of neighborhood events including the Jefferson Neighborhood Project, Fresno Night-Out and neighborhood block parties representing all seven city council jurisdictions.

On April 26, 2002, FHCC organized and hosted the seventh Annual Fair Housing Conference. Topics included: an overview of federal and state fair housing laws; sexual orientation discrimination; home ownership opportunities for people with disabilities; affordable housing for people with special needs and Housing Opportunities for Person with AIDS (HOPWA); unfair credit scoring and other fair housing issues in the insurance industry; Section 42 Tax Credit programs and fair housing issues; and the Community Reinvestment Act. The City of Fresno co-sponsored the event along with HUD and the State Office of Fair Housing and Equal Opportunity.

- b. Investigation of Housing Discrimination Claims: In the city, the FHCCC received 1,578 housing discrimination complaints during the program year. Of these complaints, 278 cases were opened for further investigation, pending referral to the State, HUD, or a private attorney. At present, 166 cases are still under investigation. See Figure 4 for breakdown of the number of complaints by type and race.



Note: Complaints may involve more than one basis for discrimination

Figure 4

- c. Fair Housing Literature and Translations: Fair housing literature has been developed in English, Cambodian, Hmong, Laotian, Spanish and Vietnamese. In addition, a fair housing manual for housing providers was made available. Literature has been distributed to over 106 community agencies and schools.

During the program year, the total amount of CDBG funds paid to the Fair Housing Council was \$45,129.

Fair Housing Program - Other City Activities - Eligibility: Low/Mod Benefit; Fair Housing.

The City has participated with the Americans with Disabilities Act Advisory Council and the Committee for the Employment of Persons with Disabilities to provide much needed information regarding strategies to affirmatively further fair housing for special needs groups. These groups were also provided information on the City's housing programs.

The City Housing Staff participated in numerous activities to promote the City's home buyer and owner-occupied rehabilitation programs to prospective first time home buyers and existing homeowners. Many of the events were partnerships with HUD and other nonprofit housing agencies. Some of the events that City staff participated in to further the use of HOME funds included:

- Board of Realtors Housing Event in October 2001
- Home Buyers Fair in February 2002
- Board of Realtors Event in July 2002
- Central Valley Fair Housing Conference in April 2002

- Community Housing Council open house in May 2002
- SW Fresno Housing Opportunities event in January 2002
- Lane Association Homeowners Opportunities in March 2002
- Latino Women's Conference in May 2002
- Citizens Advisory Committee in September 2001

Fair Housing Program - Other Agencies - The City monitors Title VIII Fair Housing Complaints filed with the U.S. Department of Housing & Urban Development (HUD) to measure the fair housing needs in the community. The City evaluated the Title VIII case log for nineteen California cities. Those cities were chosen because they were located in the region. The largest cities in California were also included. The evaluation, based on per capita cases for the period from October 1, 1998 to June 30, 2001, found that the City of Fresno had 57 cases filed. On a per capita basis, the number of complaints in Fresno was about average among the cities surveyed. Some cities, such as San Bernardino, Oakland, Sacramento, Long Beach and Modesto had much higher ratios, while some, such as San Jose, Los Angeles and San Francisco, had smaller ratios than Fresno. These factors may or may not truly measure the need. They do indicate the extent of local concern, citizen awareness of their rights, and the focus of local fair housing agency efforts. The results are shown in Figure 6 on the next page.

The City also monitors housing complaints filed with the State Department of Fair Employment and Housing (DFEH). During the period from July 1, 2001 through June 30, 2002, there were eighteen complaints filed in the city, which is down from twenty five in the prior year. Figure 5 on page 16 describe the cases.

Figure 5

Basis of Complaints		Ethnicity of Complainant		Alleged Acts		Closure Category	
Family Status	4	African American	5	Refusal to Rent	5	Complainant not Available	2
Race	6	Asian	1	Eviction	10	Settled	2
Disability	6	Caucasian	2	Denied Reasonable Accommodation	3	No probable cause to prove violation	1
National Origin	2	Hispanic	1	Unequal Terms	2	Still open	10
Retaliation	3	Not Identified	9	Unequal Access	1	Withdrawn with resolution	1
Association	1			Harassment	5	Transferred to another agency	2
Sex	2						
Total	24	Total	18	Total	26	Total	18

Consolidated Annual Performance Evaluation Report
2001 Program Year

Title VIII Fair Housing Complaints Filed During Period of 10/1/98 to 6/30/02 In California's Largest Cities and San Joaquin Valley Cities Where Complaints Were Filed											
City	Population	Per Capita	Total Filed	Race	Color	Nat'l Origin	Sex	Disability	Religion	Familial Status	Retaliation
Fresno	435,700	.0032%	14	6	0	1	2	3	0	4	1
Bakersfield	237,200	.0021%	5	2	0	1	0	2	0	1	0
Clovis	70,700	.0000%									
Lodi	57,900	.0035%	2	0	0	0	0	0	0	2	0
Long Beach	457,600	.0017%	8	1	0	3	2	3	1	1	1
Los Angeles	3,823,000	.0000%	65	23	0	7	10	18	0	17	3
Madera	37,600	.0000%									
Merced	63,300	.0000%									
Modesto	188,300	.0016%	3	1	0	1	0	0	0	1	0
Oakland	402,100	.0020%	8	4	0	0	2	0	1	2	2
Riverside	259,700	.0015%	4	2	0	2	0	0	0	1	0
Sacramento	406,000	.0025%	10	7	0	2	0	3	0	0	1
San	186,400	.0129%	24	4	0	17	0	3	0	0	1
San Diego	1,277,200	.0011%	14	3	0	1	2	7	0	2	2
San Francisco	801,400	.0014%	11	4	0	1	1	7	0	0	1
San Jose	923,600	.0014%	13	2	0	0	3	4	0	4	1
Stockton	247,300	.0032%	8	5	0	1	1	2	0	0	0
Tulare	41,800	.0000%									
Turlock	53,500	.0000%									
Visalia	96,800	.0010%	1	0	0	0	0	0	0	1	0
Total	10,067,100	.0012%	190	64	-	37	23	52	2	36	13

Figure 6

RentSense Program - Several years ago, the City participated with the County in funding the Community Housing Leadership Board's RentSense Program. The RentSense Program provides over forty prerecorded messages in English and Spanish on various tenant-landlord issues. The County indicated that the RentSense Program receives approximately 829 calls per month.

Affirmatively Furthering Fair Housing - Analysis of Impediments - The City, through its policies, programs and practices, supports and promotes fair housing. It has certified that it will affirmatively further fair housing as a matter of City policy, and as a condition of receiving federal funds. The Analysis of Impediments (AI) is a comprehensive report that identifies the City's obstacles, or impediments, to fair housing choice. Through a comprehensive review and analysis of policies, procedures and practices in both the private and public sectors, the City details the impediments and effects fair housing discrimination has on all protected classes. The document was adopted by the City Council on December 14, 1999, and has been accepted by HUD.

The Analysis of Impediments identified the following eight impediments and corresponding actions that the City would take to address those impediments over several years. Under each action, there is a listing of the City's activities that were undertaken during the previous reporting year to address the impediment. Details of many of these activities are provided elsewhere in the One-Year Action Plan Goals and Accomplishments section of the CAPER, beginning on Page 7. There are notations below to indicate where those details can be found.

Impediment 1: Substantial Number of Neighborhoods in Need of Revitalization.

Action: Rehabilitate housing, upgrade infrastructure and improve services necessary to increase the supply of safe, decent and affordable housing for low income households including minorities, persons with disabilities, the homeless and large-family households.

- **Rehabilitation Programs:** The City continued its efforts in the rehabilitation of housing and the completion of deferred maintenance. Accomplishments were met through the Neighborhood Revitalization Program, Owner Occupied Housing Rehabilitation Program, Senior Paint and Emergency Repair Grant Program, the Rental Rehabilitation Program and the Redevelopment Agency's Minor Repair Program. A detailed listing of the programs can be reviewed under Goal 2.
- **Accessibility:** CDBG, HOME and ESG funding applications include a section highlighting the inclusion of accessibility features.
- **Lead-Based Paint:** During the program year, the City worked with ESG recipients to determine whether they were required to comply with the lead based paint regulations. All but one of the recipients were exempt. Spirit of Woman, which serves women with children, conducted a lead based paint assessment. The assessment demonstrated that their units did not have lead based paint. Therefore, all of the recipients appear to be in compliance.
- **Infrastructure:** Annual CDBG expenditures in millions of dollars were made to construct or reconstruct streets, curbs, gutters and sidewalks, upgrade streetlights and install accessibility features in low-income areas. A detailed listing of the new features can be reviewed under Goal

5. In addition, the City also used \$500,000 in City General Funds to install 358 curb cuts at intersections to provide persons in wheel chairs access to neighborhood sidewalks.
- **ADA Building Upgrades:** The City continued ongoing public building upgrades to comply with Americans with Disabilities Act (ADA) requirements and monitoring of compliance features. Some of the improvements included a removable platform at the top of Loge Level in Selland Arena to accommodate wheelchair users and Saroyan Theater exterior entrance ramp rails. This effort was done with non-CDBG funds.
 - **Crime Prevention:** Funding was directed to the Problem Oriented Policing (POP) Unit to directly address crime within low income neighborhoods. Care Fresno, a nonprofit agency, works with the Police Department to reduce crime in neighborhoods, particularly in apartment complexes. The agency designs, coordinates and manages self-sustaining programs to help targeted neighborhoods maintain healthy and safe living environments with the ultimate goal of crime prevention. As a result, Care Fresno sites have seen a 60-70% drop in calls for service. Many of the activities Care Fresno provides are targeted to at-risk youth. Activities include homework sessions, parental mentoring, and special programs such as Crime Scene Investigation (CSI) classes to teach problem solving skills. Goal 6 details specifics on both POP and Care Fresno.
 - **ADA Park Improvements:** In an ongoing effort to meet ADA requirements, CDBG funding in the amount of \$258,000 was provided for the following parks: Roeding Park, Ted C. Wills, Bigby Villa, Ivy, Hinton, Highway City Neighborhood Park and Center, and Nielsen Neighborhood Park. See Goal 5.
 - **Nonprofit ADA Improvements:** CDBG grant monies were provided to the Arte Americas Cultural Center for removal of architectural barriers. Goal 5 details specifics on these activities.
 - **Code Enforcement:** The Code Enforcement Unit has continued its work week to include Saturday and Sunday to better respond to enforcement calls that occur on the weekend. A detailed listing of program accomplishments can be reviewed under Goal 2.

Impediment 2: Insufficient production of affordable units and rehabilitation of existing units by nonprofit organizations and private sector developers.

Action: Increase new construction production and rehabilitation of existing affordable housing by increasing the expertise and capacity of the nonprofit housing community and stimulating the private sector.

- **Nonprofit Housing Organizations:** During this program year, City staff worked individually with prospective Community Housing Development Organizations (CHDOs). Staff worked with Fresno West Coalition for Economic Development and One-by-one Leadership in achieving CHDO status.

- **Recertifications:** City staff is working with existing CHDOs in being re-certified to ensure that HOME regulations are continually met.
- **NOAH:** NOAH completed construction of six new homes for large families. See Goal 1 for details. All of the units are being sold to low income persons and all are Southeast Asian and Hispanic families.
- **HAC:** Housing Assistance Corporation (HAC), a CHDO developer, completed construction of 48 rental units for low-income, large families. Three of these units will be accessible to persons with disabilities. At the end of the program year all of the units were rented. Forty-six percent were occupied by African Americans; twenty-seven percent by Hispanics; and twenty-seven percent by Caucasians. All were low and moderate income with 85% below sixty percent of the area's median income and 31% below thirty percent of the median income.
- **Tax Credit Projects:** City staff provided technical support for the review of six tax credit applications for the development of affordable multi-family units. During the program year approximately 754 units were submitted for review to the State Tax Credit Allocation Committee. To assist in making the projects competitive, the City developed a process in August 2000, where Tax Credit Community Revitalization Areas could be designated administratively. As a result, the City began seeing local housing projects approved. Details on the tax credit applicants can be reviewed under Goal 2.
- **Casa San Miguel:** Thirty-two houses were constructed for families relocated by the Environmental Protection Agency (EPA) from the Purity Oil site. See Goal 1 for details. All of the home buyers were Hispanic and all were low income with 97% below sixty percent of the area median income; 53% were below thirty percent.
- **Mobilehome Parks:** Through the support of the City, Caritas, a nonprofit agency, is considering the purchase of additional mobilehome parks in the City. The mobilehome parks are predominantly occupied by lower income persons and the action is seen to improve the living conditions of its residents. The agency purchased two parks in the previous fiscal year. Details on this program can be reviewed under Goal 2.

Impediment 3: Inability of low-income families to purchase adequate housing

Action: Increase the number of qualified home buyers, the number of loans approved for low-income individuals or households (including minority, persons with disabilities, homeless and large-family households), and the number of homes purchased in low-income areas including an increase in personal income through economic development activities.

- **Assistance to Prospective Home buyers:** The City continued its efforts to improve the production of affordable housing for low-income families through financial support of nonprofit organizations, such as Consumer Credit Counseling. This agency provides homeowner education, credit and budgeting education through its series of workshops and confidential

- counseling. During the program year, the agency conducted twenty-seven home buyer education classes in which 74% were of low and moderate income. The Housing Authority also has a first-time homebuyer training program. This will enhance Goal 2.
- **CHC:** The Community Housing Council (CHC) is a group of lenders and housing experts that address housing issues within the community. They sponsor and provide the format and details for housing trade shows. The City provides the meeting room and staff representation for the group.
 - **Housing Seminars:** Housing seminars are provided to prospective homeowners by lenders and nonprofit agencies. Staff participated in numerous activities to promote and encourage participation in the City's home buyer programs. Many of the events were in partnership with HUD and other non-profit housing agencies. City Staff participated in the following events: Board of Realtors' Housing Event in October 2001; Home Buyers Fair in February 2002; the Board of Realtors Event in July 2002; and several other events. See page 14 for complete listing.
 - **Economic Development:** Funding is directed toward programs such as the Inner City Fee Reduction Program, Commercial Rehabilitation Program, Economic Development Program and Enterprise Zone Incentives to stimulate economic development and employment for low-income persons. The City received a HUD Empowerment Zone designation in Fall 2001. See Goal 9 for details.
 - **Inner City Fees Reduction Program:** This program provides a reduction of 50 percent or more in development entitlement fees for projects within the inner city. During the program year, 174 entitlement fees were reduced. Detailed information can be found under Goal 4.
 - **LIHP and DAP:** The Lower Income Homebuyer Program (LIHP) and the Downpayment Assistance Program (DAP) assists first time home buyers with the downpayment needed to purchase a home. During the last program year, 287 DAPs and 48 LIHPs were provided to homeowners. Additional information on DAPs and LIHPs can be reviewed under Goal 2.
 - **NOAH:** The new housing construction projects at Mono & C Streets and Eleventh Street were developed by non-profit developer NOAH. These are targeted at low-income families. Additional information can be reviewed under Goal 1.
 - **Home Ownership:** The Housing Authority has provided 45 Mortgage Credit Certificates and 64 Homeownership Opportunities Program loans to further assist low-income families in purchasing adequate housing.
 - **HMDA:** During the program year, the City did not conduct an analysis of the Home Mortgage Disclosure Data (HMDA) prepared by the Federal Reserve System. The last analysis was done in November 1999, when the City completed one for the 1992-1997 data. Further analysis will be done in November 2002 since the City needs about three years of data to identify meaningful trends. Previous studies have indicated an overall positive trend in home lending patterns. The differences between Caucasians and two protected groups declined

substantially during the period. However, there still appears to be a disparity between African Americans and Caucasians. For details, one should refer to the City's Analysis of Impediments.

- **Affirmative Marketing:** The City has an Affirmative Marketing Policy (Equal Opportunity Housing). The policy assures that housing units funded with City HOME Program funds are marketed in such a way that those that are socially and/or economically disadvantaged are informed when units become available and are encouraged to apply and have an equal opportunity to rent or own a home. Two HOME-funded housing projects were required to prepare and implement a plan during the program year. A copy of the policy is on the City's web page.
- **Insurance Industry:** During the previous year, the City reviewed the 1998 Commissioner's Report on Underserved Communities. The State Department of Insurance, Statistical Analysis Bureau indicated that the 1999 Report is not expected to be completed until late October 2002. There has been some problems with the data that was gathered. The 2000 Report is expected to be available by the end of 2002. At the encouragement of the City, the Fair Housing Council included a session on insurance in their fair housing conference in April 2002.

Impediment 4: Insufficient participation of low-income group and minority volunteers in housing planning, programs and decision making processes.

Action: Continue to promote diversity of composition on all appointed Boards, committees, Task Forces and Commissions that reflect the cultural, social, racial, economic, family make-up, sex, health, disabilities, age and other characteristics of the population; continue to promote volunteerism and participation in community activities affecting housing.

- **Mayor's Appointments:** The Mayor created an eleven-member Mayor's Organization of Volunteer Expertise (MOVE) which included two African Americans, two Hispanics, a Southeast Asian, an Armenian and five Caucasians.
- **Volunteers:** The City has funded a number of programs that have promoted volunteerism both by using CDBG and City discretionary funds. See Goals 7 and 8 for a listing of programs that were supported by the City.
- **Languages:** The City continues to print housing information in a variety of languages.

Impediment 5: Inability to maximize the potential for zoning, building and safety codes to positively impact housing supply and programs due to outdated U.S. Census data and General Plan.

Action: Obtain year 2000 census data as soon as available. Complete current General Plan update and prepare new Housing Element. Review and improve City codes and ordinances. Improve and step up enforcement and permitting processes.

- **General Plan:** The City General Plan is being updated and is expected to be adopted by September 2002. See Goal 4 for details.
- **Housing Element:** The City of Fresno adopted the revised Housing Element on June 18, 2002. See Goal 4 for details.
- **Reasonable Accommodations:** The City adopted a reasonable accommodation ordinance. See Goal 4 for details.
- **ADA Plan:** The City hired a consultant in March 2002 to prepare a Self-Evaluation and Transition Plan to identify needs and to develop an implementation strategy to meet Americans with Disabilities Act (ADA) requirements. Cost of the contract is \$111,754. The Plan, which is expected to be completed by March 2003, will identify ADA deficiencies in City buildings and public works facilities, including curb cuts improvements. As part of this process, fifty people participated in a City-conducted open house to discuss ADA issues.
- **ADA Advisory Committee:** The City ADA Advisory Committee met ten times with City staff during the program year to identify and review issues that adversely affect persons with disabilities. Some of those issues were pedestrian accessibility to sidewalks, crosswalks and intersections and street lighting. The ADA Committee also conducted a Sensitivity Training session for convention center staff in an effort to create awareness of the accessibility needs of persons with disabilities in a large conference facility atmosphere.
- **ADA Needs Open House:** The City of Fresno conducted an ADA Community Open House on June 19, 2002 with about fifty people either in attendance or having prepared written testimony that was read into the record. The open house was conducted to update the City's Self Evaluation and Transition Plan in accordance with the Americans with Disabilities Act (ADA). The ADA Open House requested and received public input on: City programs and policies, City facilities, the pedestrian environment (sidewalks and curb ramps), and other general comments.
- **2000 Census:** The City began receiving data from the 2000 Census. When income data is released in September 2002, the list of eligible census tracts will be revised. Project applications in 2003-2004 program year must reflect this updated information. It is expected that a few new census tracts will become eligible for CDBG funding. Some existing tracts may no longer meet the eligibility requirements.

Impediment 6: Difficult for local, state and federal programs to eliminate housing discrimination.

Action: Document, investigate and monitor registered complaints of housing discrimination. Increase community awareness and knowledge of fair housing rights and responsibilities. Implement program for recognizing, monitoring and deterring discrimination even in its subtlest forms.

- **Fair Housing Council:** The City provides funding to the Fair Housing Council to provide fair housing education to the general public, local and regional training and mediation services between tenants and landlords.
- **RentSense:** The public can access and explanation of fair housing laws and practices 24 hours a day through RentSense, a taped housing and referral service.
- **Housing Information:** The City posts housing, training and workshop information on its Website.

Impediment 7: Lack of sufficient housing and services for those who are homeless or threatened with homelessness.

Action: Improve services and increase housing opportunities for the homeless and those threatened with homelessness including minorities, persons with disabilities and large-family households.

- **ESG:** The City is committed to meeting the needs of the homeless and those threatened with homelessness. The City continues to meet this goal through the use of the Emergency Shelter Grant (ESG) Program. Details of agencies receiving ESG and Supportive Housing Program (SHP) funds can be reviewed under Goal 7. **Collaboration:** City staff continues to play an active role in the Continuum of Care Collaborative meetings to ensure that needs of the homeless are met. See details under Goal 7.
- **Workshops:** The City conducted two application workshops to assist applicants in preparing City funding requests related to accessing City CDBG, HOME and ESG funds.
- **Monitoring:** The City regularly monitors ESG recipients to assure that funding is used properly and in accordance with federal regulations. During the program year, staff has utilized its monitoring handbook which provides for uniform review and monitoring procedures of funding recipients.
- **Payment Processing:** City staff processes bills within five working days once the paperwork is found to be complete.
- **Payment Processing:** City staff processes bills within five working days once the paperwork is found to be complete.
- **Police Support:** The Police Department has developed relationships with the Fresno Rescue Mission, Poverello House and the Marjaree Mason Center for Victims of Domestic Violence, so that they are able to refer persons to the appropriate center that are in need of these services. In addition, they utilize the services of the Sanctuary for youth that are either homeless

or unable to live with their parents or guardians. The Police Department also has chaplains available to assist the homeless, when needed.

Impediment 8: Inadequate financial resources for implementation of housing plans and programs.

Action: The City will (a) seek additional funding with the community, nonprofit and private sector groups, other cities and counties, regional partners, legislative advocates and state and federal agencies, (b) match, leverage and invest funding to maximize purchasing power, (c) continue to streamline development processes to avoid duplications of efforts, and (d) take actions to stimulate economic development.

Leveraging: Grant funds administered by the City are used to maximize their effectiveness through leveraging of funds and matching its funds. During the program year, the City leveraged over \$30 million in private funds with its CDBG, HOME and ESG funds. See page 37 for details.

- **Other Funding Sources:** City staff continues its research to identify other sources of funds to assist in meeting the needs of the community.
- **Matching Funds:** During the year, the City HOME program generated an additional \$473,532 in matching funds in program income. The funds were derived from program income from the Rental Rehabilitation Program (RRP); loan payoffs; the present value of interest subsidy for loans made at rates below market; present value of interest subsidy created by seller and broker buy-down of interest rates for loans; fees waived by the Fresno County Recorder; sweat equity; and cash contributions from other non-City programs. For more information, see page 38 for details.

Housing Rehabilitation Program - Goal 2. Improve the available housing stock for low- and very low-income households.

Action Taken:

Code Enforcement Activities - Eligibility: Low/Mod Area Benefit; Code Enforcement.

The City continued to maintain the code enforcement activity to ensure that existing housing is safe and sanitary. Funding for these activities was from the CDBG Program, City Community Sanitation fees, and the City General Fund. A total of 12,609 CDBG code violation complaints were processed during the program year.

In CDBG eligible areas, the City received 1,372 housing code complaints related to health and safety issues involving both single family and multi-family residential units. Code Enforcement staff received approximately 6,296 public nuisance and 2,120 zoning cases involving the elimination of visual blight, trash, inoperable vehicles, and zoning violations, which in part, involved the elimination of illegal land uses or compliance with property development standards. Code staff also investigated 2,572 weed abatement cases and 249 sign cases in CDBG areas. Staff focused on the investigation and correction of all substandard conditions found. Property owners who failed to comply were subject to citation and legal action. The actions taken in the CDBG-eligible areas included enforcement of the housing code, dangerous building code, public nuisance ordinance, and zoning ordinance.

While the City does not keep records as to how many of the housing code complaints are resolved through the City's Rehabilitation Program, Code Enforcement inspectors are instructed to routinely refer housing code violators to the City's Housing Division's Rehabilitation Program, the Redevelopment Agency's Minor Repair Program and the Economic Opportunities Commission Weatherization Program.

In addition to the above program, Code Enforcement staff performed major proactive sweeps of five lower-income neighborhoods. They included the following boundaries: 1) Fresno Street to Blackstone Avenue and Olive Avenue to Belmont Avenue (Central Fresno); 2) Dakota Avenue to Shields Avenue and Maple Avenue to Cedar Avenue (Northeast Fresno); 3) Orange Avenue to East Avenue and Butler Avenue to California Avenue (Southeast Fresno); 4) Blackstone Avenue to Maroa Avenue and Alluvial Avenue to Herndon Avenue (Pinedale); and 5) Kearney Boulevard to California Avenue and Fruit Avenue to Thorne Avenue (West Fresno). These neighborhoods were selected because they were CDBG target areas and had high instances of police calls and instances of visual blight. During the two sweeps, 1,162 properties were inspected. When Code Enforcement staff returned two weeks later, nearly all of the incidents

were corrected. Those that were not corrected received further enforcement action. In addition, seventeen smaller sweeps were conducted and 526 properties were inspected.

The City's Code Enforcement Program expended \$2,428,598 of CDBG funds in FY-2002. Other City resources paid for activities in non-CDBG areas. CDBG funds provided for 67.3% of the Code Enforcement budget and approximately 72.8% of the work was conducted in CDBG-eligible areas. Code Enforcement activities are being done in conjunction with public works improvements and housing rehabilitation to arrest the decline of the CDBG-eligible areas.



Illegal Dumping

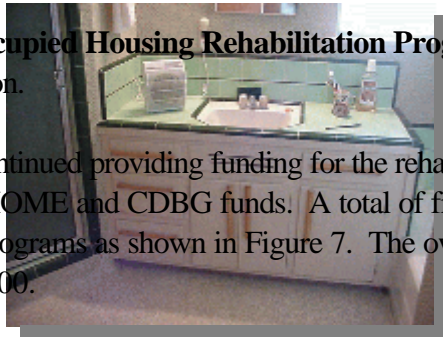
***Demolition Project
“Before”***



***Demolition Project
“After”***

Owner-Occupied Housing Rehabilitation Program - Eligibility: Low-Mod Direct Benefit; Housing Rehabilitation.

The City continued providing funding for the rehabilitation of existing owner-occupied houses through the use of HOME and CDBG funds. A total of fifteen owner-occupied housing units were rehabilitated under the programs as shown in Figure 7. The owner-occupied rehabilitation program provides loans up to \$35,000.



In addition to the owner-occupied housing rehabilitation program, the City has an exterior painting program for senior citizens. During the program year, forty-two households benefitted for a total of \$64,255 in CDBG funds and \$15,750 in Rental Rehabilitation Program (RRP) funds. Another nine households received funds under the Emergency Grant Program. This program is limited to those homes that have health and safety issues, but for various reasons do not qualify for the City's housing rehabilitation loan program. The maximum grant for the Emergency Grant Program is \$4,000. A total of \$36,000 in CDBG funds was expended during the program year for the Emergency Grant Program.

Rental Housing Rehabilitation - Eligibility: Low-Mod Direct Benefit; Housing Rehabilitation.

In the Annual Action Plan, the City projected that 50 rental units would be rehabilitated in the program year. During the program year, the City rehabilitated fourteen units using Rental Rehabilitation Program (RRP) funds and twenty-nine units using HOME funds. Unless the federal and state governments relaxes their prevailing wage requirements for rental rehabilitation, the City will be unable to meet the rehabilitation needs of large apartment complexes. Many private investors are not interested in participating in the rental program if they must pay the extra costs triggered by prevailing and other federal wages/regulations.

Owner Occupied Interior Rehabilitation
Before & After



Owner Occupied Exterior Rehabilitation
Before & After



Rental Rehabilitation
After

CITY HOUSING REHABILITATION PROGRAMS PROGRAM YEAR 2001				
PROGRAM	NUMBER OF UNITS REHABILITATED	HOME PROGRAM	RENTAL REHAB PROGRAM REVOLVING	CDBG FUNDS
Owner Occupied Rehabilitation	15	\$336,124		
Senior Paint Program	42		\$15,750	\$64,255
Emergency Repair Grant	9			\$36,000
Rental Repair Program (Revolving Loan Fund) (5-16 units)	43	\$120,000	\$80,000	--
Totals	109	\$456,124.00	\$95,750.00	\$100,255.00

Figure 7

First-Time Home Buyer Assistance - Eligibility: Low-Mod Direct Benefit; Home Buyer Assistance.

The City continued to provide assistance to qualified home buyers through two programs: the Downpayment Assistance Program (DAP) and the Lower Income Homebuyer Program (LIHP). Prospective applicants are required to participate in a lender-sponsored home buyer training program to qualify for the DAP and LIHP programs. Therefore 287 families went through the lender programs.

Downpayment Assistance Program: HOME funds in an amount of up to \$4,000 were provided to very low- and low-income first-time home buyers to purchase a single family home. The funds paid for closing costs up to four percent of the selling price of a home (which sales price must be \$117,000 or less). It was anticipated that this program would provide assistance in the development and purchase of 440 affordable housing units.

The program is strictly market driven, and like the San Joaquin Valley area, it had showed signs of lagging behind the real estate boom of the rest of California. However, in the last two years, housing prices have skyrocketed preventing many lower income home buyers from purchasing housing. Results for the year indicated only 287 families received down payment assistance, as indicated in Figure 8.

The city will be working with a HUD-hired consultant to make revisions to this program to address the new market.

See Figure 9 for locations of the DAP projects. Total HOME funding expended on the DAP program during the program year was \$878,388. Some of the DAP projects were done in conjunction with the LIHP Program. Over seventy-four percent of the DAP funding recipients

were Hispanic. Sixteen percent were Asian home buyers, eight percent Caucasian, one percent African American and one percent American Indian. Sixty-two percent of the DAP housing units were purchased by two to four family member households; thirty-two percent of the units were purchased by large families (five or more persons in the unit); and six percent were purchased by single persons. Eighty-six percent had low income, while the remaining fourteen percent were very low income.

Lower Income Homebuyer Program: HOME funds in an amount up to \$19,400 are provided to low-income home buyers for the purchase of single family homes. The sales price of new homes must be \$97,000 or less. It was anticipated that this program would provide assistance in the development of new construction, resale of existing units and infill development of affordable housing. The goal for LIHP was to assist 60 families. A total of 48 families received LIHP assistance on the resale of existing units as stated in Figure 8. Total HOME funding expended on the LIHP during the program year was \$736,705.

All of the units were resale of existing units. Neither developers nor “new” home buyers showed interest in the LIHP new construction or the housing infill loan program during the program year.

Ninety percent of the LIHP loan recipients were Hispanic. Two percent were Caucasian, four percent African American, two percent Southeast Asian and two percent American Indian. Seventy-seven percent of the housing units had two to four family members while ten percent of the units were purchased by large families (five or more persons in the unit). Thirteen percent were purchased by single persons. Seventy-three percent were low income, while the remaining twenty-seven percent were very low income.

Total HOME funding expended on the DAP and LIHP Programs during the program year was \$1,615,093.

City's First Time Homebuyer Programs Program Year 2001		
Program	Number of Families Assisted	HOME Funds
Downpayment Assistance Program (DAP)	287	878,388
Total	287	\$878,388
Lower Income Homebuyer Program (LIHP) <i>New Construction</i>	-0-	-0-
Lower Income Homebuyer Program <i>Resale of Homes</i>	48	736,705
Lower Income Homebuyer Programs <i>Infill in Neighborhoods</i>	-0-	-0-
Total	48	\$736,705

Figure 8

*Consolidated Annual Performance Evaluation Report
2001 Program Year*

City of Fresno											
Housing Assistance by Census Tracts											
Census Tracts	DAP	LIHP	Rehabs	Paints	Emerg Grants	Census Tracts	DAP	LIHP	Rehabs	Paints	Emerg Grants
Edison						Fresno-West					
2	1					38.01	6			1	1
3	4	1		1		38.02	8				
7	2		1	2		38.03	0				
9	5	1	1			42.01	3	1			
10	3			1	1	47.02	16	2	1	5	
11	3					48	4			1	1
						49	2				
Roosevelt/Sunnyside						Bullard					
4	8	1		1		42.02	0				
5	2					42.04	1				
6	2	1	14			42.05	6				
12	10	2		1		44.02	0				
13	32	3	10	2		44.04	0			1	
14.04	2					45.03	0				
14.06	4		1	1		45.04	0				
24	10	3				45.05	0				1
25	16	4		3	1	46	0				
26	12	2	1	4		47.01	1				
27	25	8		1		50	3			1	1
28	9	2		1							
29.01	9				1	Hoover					
29.02	5		1	2	1	53.01	7				
30	8					53.02	2				
McLane						53.03	5				
31.01	1					54.03	1				
32	6	3				54.04	1				
33	4	3				Fresno High					
34	2	2				21	6	3	1	1	
51	6	2		4		22	0		1	3	
52.01	6	2	1			23	3	1	2		
52.02	2			1		35	4	1		2	1
58.03	4		1			36	1			1	1
Woodward Park						37	4		20	1	
55.01	0										
						Total	287	48	56	42	9

Note: The Census Tracts roughly fall within the various community plan areas indicated above. In some cases, a census tract may be divided between two planning areas and in such cases, the tract has been placed in the area where it mostly fits.

Figure 9

HOMEBUYER PROGRAMS



Other City Programs - The City Redevelopment Agency (RDA) used tax increment financing to provide grants up to \$5,000 to low and middle income persons with incomes up to 120% of the area median income. Approximately two-thirds of the grant recipients were of low income. During the program year the RDA, through a contract with the Housing Authority, completed 205 minor rehabilitation projects in CDBG areas. These areas were in the Heaton School (44), Central Fresno (49), Southeast Fresno (55), Fulton-Lowell (10), Jefferson (9), Southwest Fresno (27) and District 4 (11) neighborhoods. Fifty-nine percent of the households were female-headed. During the program year, the City Council allocated funds for a weatherization program with CDBG and General funds. Thirty four units were completed at a cost of \$84,000. Nine were completed with CDBG funds in Council District 7.

The SMART Program began acoustically treating homes in the airport noise contours in 1996. Acoustic insulation is a rehabilitation activity that reduces the impact of noise from the Fresno Yosemite International Airport on residences in areas determined to exceed an average noise level of sixty-five Community Noise Equivalent Level (CNEL). The average cost per home is \$17,000 for modifications; plus \$3,000 per home for consultant design, construction management, and administration costs. Each property owner signs an aviation easement which is recorded on the property.

From 1995 to 2001, 352 homes near the airport were rehabilitated through the SMART Program including seventy-seven homes completed during the Program Year. Another 275 homes are in the design phase and ready to go out to bid in Fiscal Year (FY) 2002-2003.

The Redevelopment Agency is working with the Housing Authorities and the City Airports Department to use the 20% Housing Setaside funds from the Fresno Air Terminal Redevelopment Area fund for housing rehabilitation and acoustic treatment activities for low income families in the airport noise program areas. These funds will provide the 10% local match requirements of the FAA program. Total funds expended during the program year were \$1.75 million.

The City was approached by the State Energy Commission about a new Public Utilities Commission demonstration program to promote energy efficiency in residential units. The purpose of the program is inform the public on the cost savings that can be realized if various improvements are made to the local housing units. The City of Fresno is being considered as one of three or four demonstration cities and lent its support to the program. At this time, the program has not been initiated.

Technical Support for Tax Credit Applicants

The City provided technical support for two new tax credit applications to ensure the availability of additional low-income, multi-family rental units. There were an additional five tax credit projects that were approved in prior years that were in various stages of construction during the program year. See Figure 10 for a listing of applications which the City assisted. With each of the projects, the City assisted the State with the analysis by verifying that the zoning, building and general information in the tax credit application was accurate.

For tax credit projects, at least 20% of the residents must have incomes less than 50% of the area's median income and another 40% must have incomes less than 60%. However, to be competitive, most successful applications have made higher commitments to assist lower income persons than the minimum percentages described above.

To obtain the maximum points in the Statewide competition for tax credit projects, a project must be located in a community revitalization area. By definition, CDBG target areas and designated City redevelopment areas are considered by the State to be community revitalization areas.

The City took an extra step toward making community revitalization area certifications for projects outside these areas. On August 8, 2000, the City Council authorized staff to administratively designate any area around proposed tax credit projects as community revitalization areas when certain criteria were met. Applicants needed to request the establishment of a community revitalization area during the program. Letters of support were written by either the City or the Redevelopment Agency for each of the other tax credit projects.

One tax credit project, Villa Del Mar, was funded in 1999-2000. Construction began in 2000-2001 and was completed in 2001-2002. The Californian was funded in Program Year 2000-2001, and construction is currently underway. Bigby Villa Apartments was funded in 2000-2001 and construction is underway. Westgate Gardens was funded in the first round of 2002 and construction is underway. Pleasant Village Apartments was funded in Fiscal Year 2000-2001 and construction is currently underway. The remaining projects up for consideration are being reviewed by the State. Their status was not available at the end of the fiscal year. Five projects have been funded since 2000, when the City Council authorized staff to assist tax credit projects. These were first tax credit projects to be funded in the City since 1996.

*Consolidated Annual Performance Evaluation Report
2001 Program Year*

TAX CREDIT PROJECTS (Submitted, Approved by the State for Funding and/or Under Construction During Program Year)				
Project Names	Location	Census Tract	Number of Units	Status
The Californian	851 Van Ness	1	217	Under Construction
Pleasant Village	3665 N. Pleasant	47.02	100	Under Construction
Villa Del Mar	NE Corner Saginaw & Del Mar	49	48	Construction Completed
Broadway Plaza	1241 Broadway Plaza	1	112	Pending Approval
Sequoia Manor	1550 E. Church	9	150	Pending Approval
Bigby Villa	1329 E. Florence	9	180	Under Construction
Westgate Gardens	NW Church/MLK Jr.	9	100	Under Construction

Figure 10

Support for Purchase of Mobilehome Parks by Nonprofit Agencies

In the previous program year, Caritas, a nonprofit organization, completed the purchase of two mobilehome parks in Southeast Fresno. The City participated in this acquisition by becoming a associate member in the California Mobilehome Financing Authority. This allowed the Authority to issue thirty-year bonds for the purchase and rehabilitation of the parks. With the purchase, park residents now have a greater voice in the operations of the parks than with the previous private, for-profit owners. Over time, it is hoped that this action will begin to both resolve problems between owners and residents in the two parks and retain the affordability of the housing stock. At least 20% of the residents must be very low income and an additional 40% low income.

During Program Year 2001, the City has been approached by Caritas to acquire additional parks. Negotiations are under way. It is too early to report which parks and when the transactions might be completed.

Lead Based Paint Regulations: The City was one the first cities in HUD's Northern California region to implement the federal Lead Based Paint regulations by the September 15, 2000, deadline for its rehabilitation projects. City staff attended the lead based paint workshops to increase their understanding of the process for identifying and minimizing the hazard by using interim controls and obtaining lead clearances on all projects. During the year, City staff

encouraged contractors to obtain their certifications to participate in the City's programs. Efforts have also been directed at recovering lead-based paint testing costs through the HUD Office of Lead Hazard Control and reducing the cost of lead-based paint regulation compliance for the homeowner. During Program Year 2001, the City, working with the Housing Authority, submitted a grant application of \$2.5 million to HUD. The application is pending.

Leveraging of Funds for Housing Programs: The City has designed its housing programs to assist low-income families, while leveraging funds in a sound, business-like manner. The housing projects completed resulted in leveraging a total of \$31,691,408. The leveraging came from financial investments by owners, lenders and developers participating in the City's housing program. See Figure 11 for details.

The federal government requires a 12.5% local match for the HOME program for the City of Fresno. During the program year, the City generated a total of \$473,532 in matching funds from the following sources:

- Program income derived from loan payoffs to the old Rental Rehabilitation Program. This generated \$86,430 in additional funds to repair rental housing.
- Recognition of the present value of interest subsidy for loans made at rates below market. This generated a direct benefit of \$303,984 for low-income participants in the Downpayment Assistance Program and the Lower Income Homebuyer Program.
- Fees waived by the Fresno County Recorder. This generated a direct benefit of \$8,897 to low-income participants in the Downpayment Assistance Program and the Lower Income Homebuyer Program, \$546 for housing rehabilitation projects and \$325 for development projects.
- Sweat equity (Habitat for Humanity completed nine houses; each with \$8,150 in sweat equity, for a total of \$73,350.)

In addition, the City carried over \$2,346,648 in excess matching funds from prior years. Total matching funds available for the City to meet its HOME Program requirements was \$2,820,180. For more details, see the HUD Form 40107-A (HOME Match Report) submitted to HUD and available for public review in the Department of Housing, Economic and Community Development. As a point of clarification, matching funds were already provided from the various sources and can be used to meet the matching requirements of the HOME program. They are funds on paper and do not constitute real funds that could be used for construction activities.

FUNDS LEVERAGED FOR HOUSING PROGRAMS

Consolidated Annual Performance Evaluation Report
2001 Program Year

		Projects	Leveraged Amount
DAP Only Leverage	HOME	239	\$18,639,132
DAP TOTAL		239	\$18,639,132
New Construction/Resale LIHP (without DAP) Leverage	HOME	0	0
Resale LIHP/DAP Combination Leverage	HOME	48	\$3,699,150
Infill LIHP/DAP Combination Leverage	HOME	0	0
LIHP TOTAL		48	\$3,699,150
REHABILITATION LEVERAGE - ALL PROGRAMS			
		Projects	Leveraged Amount
Owner-Occupied Rehabilitation		1	\$389
Rental Rehabilitation Program		5	35,071
REHABILITATION TOTAL		6	\$35,460
NEW HOUSING DEVELOPMENT - ALL PROGRAMS			
		Projects	Leveraged Amount
Casa San Miguel - Ventura and B Streets*		32	\$4,021,670
NOAH - Eleventh Street*		5	\$275,000
Villa Del Mar - Griffith and Del Mar*		48	\$5,020,996
NEW HOUSING DEVELOPMENT TOTAL		85	\$ 9,317,666
TOTAL FUNDS LEVERAGED ALL PROGRAMS		378	\$31,691,408

* These leveraging amounts were also shown for these projects in the previous CAPER.

Figure 11

Redevelopment and Relocation - Goal 3. Provide increased housing opportunities and assistance for those displaced through either code enforcement or redevelopment.

Action Taken:

Relocation - Eligibility: Low/Mod Direct Benefit, Housing.

It is City policy not to cause the relocation or displacement of any persons affected by any rehabilitation program. In the event displacement should occur, appropriate relocation measures will be employed as required by the City's relocation procedures pursuant to HUD regulations.

During the 2001 Program Year, there were no activities funded with HUD funds that triggered relocation, including the City's code enforcement program. Assembly Bill 472, which was enacted January 1, 2002, requires that relocation benefits be paid by the property owner to the tenant as a result of certain code enforcement actions. The City has appropriately notified property owners of their responsibilities when an order requires vacating a residential unit, because a violation is so extensive and/or of such a nature that the immediate health and safety of the residents is endangered.

During the fiscal year, the City adopted a detailed Relocation Plan and incorporated it into the City's Citizens Participation Plan.

***Plan Improvements - Goal 4.** Monitor, and complete the update of the City's General Plan and update the Housing Element and housing data regarding the development of affordable housing for very low- and low-income families. Continually improve all other City regulations and processes that affect housing access and affordability.*

Action Taken:

General Plan Update - Eligibility: Low/Mod Area Benefit.

The City continued to monitor the implementation of the General Plan and Housing Element. The City is in the process of updating its General Plan. Work on the 2025 Fresno General Plan has been underway since the City Council action to do so on January 11, 2000. Hearings are expected to begin in August 2002 and the Plan adopted by September 2002. The updated Housing Element was adopted by June 18, 2002.

As part of revising the Housing Element, the City conducted a housing quality survey to determine the condition of the housing units constructed prior to 1960. The survey estimates the

number of units in the city that are in need of rehabilitation and replacement. According to the survey, 88.6 percent of the housing stock is in sound condition. A copy of the survey results are in Figure 12.

To prepare the Housing Element, the City worked with the Council of Fresno County Governments and the cities within the county to develop a Housing Allocation Plan to ensure that sufficient low-income housing is constructed within the county. Incorporation of land-use policies to accommodate a diversity of housing sizes and types, as well as higher residential densities, provide increased opportunities for affordable housing.

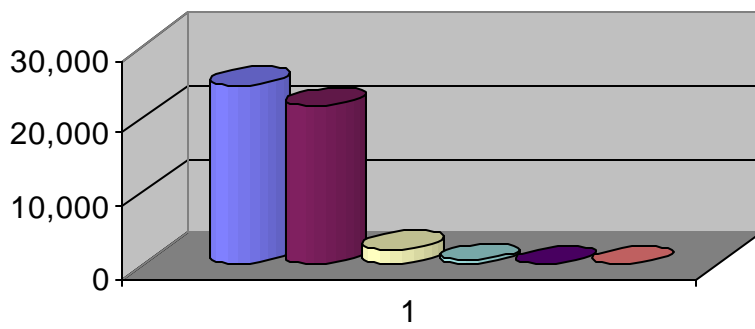
The draft General Plan calls for redistributing a projected population of approximately 10,000 people from the western and eastern fringes to the central portions of the metropolitan area. Revitalization and enhancement of the established urban core will continue to be the major focal point of the plan's vision. The Plan projects the rehabilitation of 1,000 dwelling units and construction of 1,000 new infill dwelling units generally within the CDBG target areas.

During the program year, the City adopted a revision of the City's group homes ordinance. The City's action removed outdated and questionable terminology and helps to solidify the City's fair housing practices. Provisions of reasonable accommodations are being integrated into daily decision making by City planning staff.

One of the priorities of the Mayor and City Council is to revitalize the central city area. To achieve that objective, the City applied for and received an Empowerment Zone designation from the U.S. Department of Housing & Urban Development (HUD) in 2001. The zone became effective on January 1, 2002.

Housing Quality Survey Results

Surveyed:	24,600
Sound:	21,805
Minor:	2,165
Moderate:	507
Substantial:	88
Dilapidated:	34



Planning	Census	Total Units in	Total Units	Sound	Percent	Minor	Percent	Moderate	Percent	Substantial	Percent	Dilapidated	Percent	Total
Central	1	495	Commercial											
Edison	2	746	303	210	69.3%	59	19.5%	27	8.9%	6	2.0%	1	0.3%	
Edison	3	1117	314	267	85.0%	29	9.2%	16	5.1%	2	0.6%	0	0.0%	
Roosevelt	4	1294	356	293	82.3%	38	10.7%	20	5.6%	5	1.4%	0	0.0%	
Central	5	2117	353	86	24.4%	126	35.7%	100	28.3%	27	7.6%	13	3.7%	
Central	6	2150	340	190	55.9%	79	23.2%	55	16.2%	12	3.5%	4	1.2%	
Edison	7	1221	350	287	82.0%	53	15.1%	8	2.3%	0	0.0%	2	0.6%	
Edison	8	252	Commercial											
Edison	9	1633	397	195	49.1%	152	38.3%	43	10.8%	4	1.0%	3	0.8%	
Edison	10	993	315	303	96.2%	6	1.9%	5	1.6%	1	0.3%	0	0.0%	
Edison	11	776	301	272	90.4%	25	8.3%	3	1.0%	1	0.3%		0.0%	
Roosevelt	12	2434	352	342	97.2%	9	2.6%	1	0.3%	0	0.0%		0.0%	
Roosevelt	13	3504	477	302	63.3%	116	24.3%	55	11.5%	4	0.8%		0.0%	
Roosevelt	14-03	2008	300	297	99.0%	3	1.0%	0	0.0%	0	0.0%		0.0%	
Roosevelt	14-04	1772	390	376	96.4%	14	3.6%	0	0.0%	0	0.0%		0.0%	
Roosevelt	14-05	2750	232	180	77.6%	52	22.4%	0	0.0%	0	0.0%		0.0%	
Roosevelt	14-06	1930	446	384	86.1%	62	13.9%	0	0.0%	0	0.0%		0.0%	
Roosevelt	15	740	29	26	89.7%	1	3.4%	2	6.9%	0	0.0%		0.0%	
Edison	18	1402	6	4	66.7%	2	33.3%	0	0.0%	0	0.0%		0.0%	
Edison	19	851	13	10	76.9%	1	7.7%	2	15.4%	0	0.0%		0.0%	
West	20	2030	372	314	84.4%	30	8.1%	20	5.4%	5	1.3%		0.8%	
Fresno	21	2199	407	244	60.0%	146	35.9%	15	3.7%	2	0.5%		0.0%	
Fresno	22	1667	356	315	88.5%	26	7.3%	13	3.7%	2	0.6%		0.0%	
Fresno	23	1388	398	324	81.4%	72	18.1%	2	0.5%	0	0.0%		0.0%	
Fresno	24	1435	349	155	44.4%	172	49.3%	21	6.0%	1	0.3%		0.0%	
Roosevelt	25	2716	400	331	82.8%	59	14.8%	10	2.5%	0	0.0%		0.0%	
Roosevelt	26	2481	350	290	82.9%	55	15.7%	5	1.4%	0	0.0%		0.0%	

Construction and
 Performance and Evaluation Report
 2001 Program Year

Planning	Census	Total Units in	Total Units	Sound	Percent	Minor	Percent	Moderate	Percent	Substantial	Percent	Dilapidate	Percent	Total Units	Percent
Roosevelt	27	2719	400	335	83.8%	56	14.0%	9	2.3%	0	0.0%	0	0.0%	65	16.3%
Roosevelt	28	1308	350	339	96.9%	9	2.6%	2	0.6%	0	0.0%	0	0.0%	11	3.1%
Roosevelt	29-01	2577	357	356	99.7%	1	0.3%	0	0.0%	0	0.0%	0	0.0%	1	0.3%
Roosevelt	29-02	2221	351	345	98.3%	5	1.4%	0	0.0%	1	0.3%	0	0.0%	6	1.7%
Roosevelt	30	2926	290	233	80.3%	55	19.0%	2	0.7%	0	0.0%	0	0.0%	57	19.7%
Hoover	31-01	3911	Airport												
McLane	32	3199	350	341	97.4%	9	2.6%	0	0.0%	0	0.0%	0	0.0%	9	2.6%
McLane	33	2768	351	339	96.6%	9	2.6%	2	0.6%	1	0.3%	0	0.0%	12	3.4%
McLane	34	1700	371	363	97.8%	8	2.2%	0	0.0%	0	0.0%	0	0.0%	8	2.2%
Fresno	35	2213	403	389	96.5%	11	2.7%	3	0.7%	0	0.0%	0	0.0%	14	3.5%
Fresno	36	1773	355	351	98.9%	3	0.8%	1	0.3%	0	0.0%	0	0.0%	4	1.1%
Fresno	37	2785	400	377	94.3%	21	5.3%	2	0.5%	0	0.0%	0	0.0%	23	5.8%
West	38-01	2209	432	356	82.4%	74	17.1%	2	0.5%	0	0.0%	0	0.0%	76	17.6%
West	38-02	2732	698	650	93.1%	44	6.3%	4	0.6%	0	0.0%	0	0.0%	48	6.9%
West	38-03	1248	28	28	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
West	42-01	600	250	207	82.8%	11	4.4%	13	5.2%	11	4.4%	8	3.2%	43	17.2%
Bullard	42-02	3,343	400	400	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	42-04	2,146	350	350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	42-05	2,064	354	350	98.9%	4	1.1%	0	0.0%	0	0.0%	0	0.0%	4	1.1%
Bullard	43-01	1464	250	250	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	43-02	2027	300	300	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	43-03	1938	319	319	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Woodward	44-02	3731	400	400	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	44-04	1200	312	281	90.1%	25	8.0%	5	1.6%	1	0.3%	0	0.0%	31	9.9%
Bullard	44-98	2457	350	339	96.9%	4	1.1%	7	2.0%	0	0.0%	0	0.0%	11	3.1%
Bullard	45-03	2130	350	350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	45-04	2282	352	343	97.4%	6	1.7%	2	0.6%	1	0.3%	0	0.0%	9	2.6%
Bullard	45-05	1893	350	350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	45-06	1591	200	200	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	46	2229	300	300	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Bullard	47-01	2482	350	332	94.9%	18	5.1%	0	0.0%	0	0.0%	0	0.0%	18	5.1%

Planning	Census	Total Units in	Total Units	Sound	Percent	Minor	Percent	Moderate	Percent	Substantial	Percent	Dilapidate	Percent	Total Units	Percent
Fresno	47-02	2982	400	385	96.3%	14	3.5%	1	0.3%	0	0.0%	0	0.0%	15	3.8%
Fresno	48	3256	400	394	98.5%	6	1.5%	0	0.0%	0	0.0%	0	0.0%	6	1.5%
Fresno	49	2265	350	336	96.0%	13	3.7%	1	0.3%	0	0.0%	0	0.0%	14	4.0%
Bullard	50	1546	300	293	97.7%	7	2.3%	0	0.0%	0	0.0%	0	0.0%	7	2.3%
McLane	51	2213	336	261	77.7%	68	20.2%	6	1.8%	1	0.3%	0	0.0%	75	22.3%
McLane	52-01	3105	435	233	53.6%	187	43.0%	15	3.4%	0	0.0%	0	0.0%	202	46.4%
McLane	52-02	1253	300	300	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	53-01	1933	350	342	97.7%	7	2.0%	1	0.3%	0	0.0%	0	0.0%	8	2.3%
Hoover	53-02	2113	350	349	99.7%	1	0.3%	0	0.0%	0	0.0%	0	0.0%	1	0.3%
Hoover	53-03	3567	400	400	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	54-03	1666	350	350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	54-04	2737	400	400	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	54-05	1616	350	350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	54-06	1484	350	350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	54-07	1259	350	350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	54-08	0	State / FSU												
Woodward	55-01	5098	400	400	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Hoover	56-03	533	250	250	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
McLane	58-03	2387	300	192	64.0%	102	34.0%	6	2.0%	0	0.0%	0	0.0%	108	36.0%
McLane	59-01	0	Non-residential												
Note: Census Tract 42.01: The City has surveyed a small portion of the tract (between the Highway City and Herndon Townsites. The data has been added to the existing survey data and the results extrapolated to reflect the entire census tract. Census Tracts 5, 6, 13, and 14.04 were also reviewed and modified by City staff.															
Survey Totals		154,980	24,600	21,805	88.64%	2,165	8.80%	507	2.06%	88	0.36%	34	0.14%	2,794	11.36%
Estimate of Total from Survey					137,371		13,640		3,194		554		214		17,602

Pro-Active Zoning/Inner City Fee Reduction - Eligibility: Low/Mod Area Benefit, Low and Mod Income Area.

The City of Fresno's Development Department began the Inner City Fee Reduction Program in 1994. Under the program, development entitlement fees for inner city plan amendments, rezonings, conditional use permits, site plans, and variances were reduced 50 percent or greater. This was done to encourage the filing of more entitlements for new construction, rehabilitation, and private redevelopment projects in the inner city. The inner city area is within the CDBG Program eligible area. Most entitlement fees are reduced several thousand dollars under the program.

During the program year, \$150,000 of CDBG funds were expended to partially subsidize the inner city fee reduction program. Of the 1,483 development entitlements processed city-wide, 174 (or 12 percent) were in the inner city area. This is up by 36% from last year. The CDBG portion of the project included seven rezonings, twenty-two conditional use permits and thirty-two site plans. The Inner City Fee Reduction Program has helped many developers, business owners and residents improve the character, quality, economic viability and stability of older Fresno neighborhoods. The CDBG funds offset \$340,167 in lost City revenues from the program. The amount of lost revenues was substantially higher than the previous year.

Examples of developments benefitting from the Program include a new fast food restaurant (\$3,119), an addition to the Poverello House (\$1,420), five residential care facilities (\$13,740), four new day care facilities (\$12,570), four apartment complexes (\$10,220) and a home occupation (beauty shop) (\$1,835).

Activities to Encourage Housing Development - To encourage the development of affordable housing, the Development Department continues to monitor these specific issues:

- a. **Density Bonus** - Provides incentives to developers through the provision of higher densities, financial incentives, or fee waivers in exchange for a commitment to provide housing for very low- and low-income families or senior citizens.
- b. **Higher Densities** - The City has limited acreage designated or zoned for higher density development (20 or more units per acre). The delineation of additional property with such a designation provides greater opportunities for affordable housing. (The Draft General Plan is recommending an activity center concept

which will encourage well planned and appropriately clustered higher density, mixed use developments.)

- c. **Policies to Encourage Increased Average Residential Densities -**
Recommends that all properties within the City's Sphere of Influence be planned for urban densities.
Utilization of this standard will provide for overall higher planned residential densities
which can reduce land costs per unit and thus encourage more affordable prices.
(The Draft General Plan would eliminate the rural residential designated land use category and designate additional land for higher density categories.)

- d. **Mixed Density Policies, Ordinances and Zone District Standards -** The City's planned communities ordinance allows for unified developments that would include a mix of residential densities and commercial land uses. Code standards can be adjusted through the planned community process to increase overall residential densities while retaining quality community design. Increased densities result in decreased land costs per unit and therefore encourage decreased per-unit costs to provide greater opportunities for mixed income groups. Residential and commercial land uses can be combined within the same project through the Commercial Professional (CP) and Residential Professional (RP) zone districts. The goal is to create higher density, more urban type mixing of land uses throughout the City.

- e. **Mixed Income Opportunity Housing -** Although not in ordinance form, units can be developed and/or sold at market rate with some assistance, below market rate, or through innovative financing programs. The State Department of Housing and Community Development is encouraging cities to increase densities which will allow for a greater mix of income groups. The City has continued to support to the Housing Authority in obtaining additional Section 8 vouchers for lower income persons in the City. The City also has provided incentives to various nonprofit organizations to provide greater housing opportunities for lower income people and through its support of tax credit projects, encourage the mixing income groups.

Non-Housing Community Development Plan

Public Facilities and Improvements - Goal 5. Provide public facility improvements to facilitate neighborhood revitalization.

Action Taken:

Neighborhood Street Improvement Projects - Eligibility: Low/Mod Area Benefit, Public Facilities - Streets.

The City continued its ongoing program to upgrade infrastructure improvements as part of its goal to support the revitalization of low- and moderate-income neighborhoods that are deteriorating or threatened with deterioration. Funding was accomplished through the use of CDBG monies, Fresno gas tax funds, Measure C, and other sources as they became available.

In the program year, the City designated eight new neighborhoods in the CDBG eligible areas in which to concentrate improvement activities. There were two types of projects with specific criteria to meet. The first type of project must meet two criteria: the existence of drainage facilities and the existence of some portion of curb and sidewalk. These selected areas were not in need of total infrastructure reconstruction. Instead, the goal was to provide a renewed and complete infrastructure, which would allow for regular street sweeping. In addition to a heightened level of City services, the City committed increased funding for code enforcement to these areas to address visual blight, and for crime prevention through Problem Oriented Policing (POP) programs. This concentrated effort was intended to encourage a sense of neighborhood pride and caring in the residents.

The second type of project involved neighborhoods that lacked basic street and drainage improvements. Since these type of projects are much more expensive, they must be phased over a period of years and the City must concentrate its resources on one or two project areas at a time. For the past several years, the City has been focusing on the Hidalgo neighborhood (marked as Neighborhood I on Map 2). This project involved a partnership with the Fresno Metropolitan Flood Control District which was responsible for the installation of storm drainage lines and basins. The City's responsibility was to install the curb, gutter, sidewalks and street improvements. The City's portion of the project had to be constructed after the District had completed its improvements.

This neighborhood was selected because of neighborhood involvement and Caltrans and the Flood Control District had already been working on drainage issues in the area with the construction of two new freeways. Phase III of the Hidalgo project was completed in the Program Year. Phase four will be completed in a future year.

Consolidated Annual Performance and Evaluation Report
2001 Program Year

Code enforcement, street sweeping, Community Sanitation Division activities, tree trimming, neighborhood watch, and POP activities were budgeted as part of each departments' operating budgets. Any costs paid with CDBG funds for such projects by individual departments is covered under the specific departmental activity described elsewhere in this report. In Figure 13 includes data on the projects as originally proposed and the status of each.

Figure 13

Project	Location	Status	Comments and budget
	Prior Year Carryover Projects:	(FY Budget/ Expenditures)*	
A	McKinley/Olive/ Millbrook/Freeway 41 (Section 108 Loan) Census tract 24/25	Completed.	5.72 miles of street resurfacing; 38,575 lf new sidewalk; 4,804 lf of new and reconstructed curb and gutter; 331 lf of new curb; 163 new gutter; 3,771 sq. ft. of new driveway approaches.
B	Weldon/Normal/Mariposa (Section 108 loan) Census Tract 34	Completed.	.35 miles of street resurfacing; 820 lf new sidewalk; 2,050 lf of new and reconstructed curb and gutter; 126 lf of new curb; 193 new gutter; 3,025 sq. ft. of new driveway approaches.
C	Belmont/Olive/Cedar/ Ninth Census Tract 25	Completed.	1.17 miles of street resurfacing; 6,578 lf for reconstructed sidewalks; 110 lf of new and reconstructed curb and gutter; 5,382 lf new curb; and 1,207 sq. ft. of driveway approaches.
D	Olive/Floradora/Cedar/ Millbrook Census tract 25	Completed	.23 miles of street resurfacing; 232 lf for reconstructed sidewalks; 80 lf of new and reconstructed curb and gutter; 2,432 lf of new curb; 48 lf of new gutter; and 120 sq. ft. of driveway approaches.
E	McKinley/Cedar/ Floradora/Millbrook Census tract 25	Completed	.94 miles of street resurfacing; 292 lf for reconstructed sidewalks; 263 lf of new and reconstructed curb and gutter; and 5,175 lf new curb.
F	Belmont/Freeway 180/ Freeway 41/First Census tract 24	Completed	.54 miles of street resurfacing; 2,710 lf for reconstructed sidewalks; 165 lf of new and reconstructed curb and gutter; 1,802 lf new curb; 50 sq. ft. of driveway approaches.
G	Belmont/Freeway 180/ Fresno/Diana Census tract 24	Completed	.96 miles of street resurfacing; 1,044 lf for reconstructed sidewalks; 162 lf of new and reconstructed curb and gutter; 1,285 lf new curb; 160 sq. ft. of driveway approaches; and 100 sq. ft. of wheel chair ramps.

*Consolidated Annual Performance and Evaluation Report
2001 Program Year*

H	Maple from California to Hamilton Census tract 13	Completed	3,512 lf for reconstructed sidewalks; 136 lf new curb; and 616 sq. ft. of wheel chair ramps.
I	Hidalgo - Phase III 2 nd /Fisher/Harvey/Belmont Census tract 25	Completed, bills pending	.7 miles of street construction, 405 lf of new curbs, 4,030 lf of new curbs and gutters, 1,542 sf of wheelchair ramps, 7,479 sf of driveway approaches, and 1,571 sf of sidewalks.
J	California/Fruit/Florence/Thorne Census tract 9	Completed, final bill pending.	1.45 miles of street overlays, 2,528 sf of sidewalks, 11,122 lf of missing curbs, 582 lf of curb and gutter, 452 sf of driveway approaches and 160 sf of wheelchair ramps.
K	Cedar/Freeway 168/Olive/ Floradora Census tract 28	Underway	1.44 miles of street overlay, 864 sf of sidewalk, 6,972 lf of missing curb installed, 543 lf of curb and gutter, 778 sf of driveway approaches.
L	Cedar/Freeway 168/ McKinley/Floradora Census tract 28	Completed, final bills pending.	0.74 miles of street overlay, 968 sf of sidewalk, 3,246 lf of missing curb, 1,281 lf of curb and gutter, 890 sf of driveway approaches.
M	Butler/California/Cedar/ Orange Census tract 13	Underway	0.91 miles of street overlays, 24,014 sf of sidewalk, 1,115 lf of missing curb, 2,780 lf of curb and gutter, 1,905 sf of driveway approaches.
N	Fresno/Freeway 41/Olive/ McKinley Census tract 24	Nearly completed. Remainder waiting for FMFCD.	1.01 miles of street overlays, 10,670 sf of sidewalk, 3,723 lf of missing curb, 1,024 lf of curb and gutter, 288 sf of wheelchair ramps.
O	Fresno/Olive/Freeway 180/ Abby Census tracts 23-4	Nearly completed. Remainder waiting for FMFCD.	1.64 mile of street overlays, 25,125 sf of sidewalks, 6,657 lf of missing curb, 2,448 lf curb and gutter, 1,008 sf of driveway approaches, 1,350 sf of wheelchair ramps.
P	Tulare/Belmont/First/Sixth Census tract 26	Nearly completed.	4.52 miles of slurry sealing roads, 48,346 sf of sidewalk, 600 lf of missing curb, 40 lf of gutter, 5,351 lf curb and gutter, 1,145 sf of driveway approaches, 3,156 sf of wheelchair ramps.
Q	Tulare/Belmont/Sixth/ Cedar Census tract 26	Underway	5.34 miles of slurry sealing roads, 19,065 sf of sidewalk, 1,801 lf of curb and gutter, 250 sf of wheelchair ramps.

* City expenditures for the fiscal year will not match the HUD draw down amount due to different close out dates. Funding is included to give a reference point for year. Expenditures do not include prior year expenditures.

Concrete Reconstruction - Various Streets - Eligibility: Low/Mod Area Benefit; Public Improvements - Streets.

The Public Works Department continued to address the City's goal to reconstruct streets and sidewalks in CDBG target areas. These target areas were located in Census Tract 48 (West / Dakota / Cortland / Fruit); Census Tract 21 (Weber / Olive / Dudley/ Palm); and Census Tract 14.05 (Peach / Winery / California / Butler). Crews reconstructed 79,789 square feet of concrete sidewalks, 24,835 square feet of driveway approaches, 4,929 square feet of wheel chair ramps, 10,624 linear feet of curb and gutter, 477 linear feet of curb and 83 linear feet of gutter. Much of the damage was as a result of tree roots.

Council District Infrastructure - Eligibility Low/Mod Area Benefit; Public Facilities.

Each year some City Council Districts are provided CDBG funds for infrastructure improvement projects. Generally, these projects are for neighborhood park improvements and sidewalk, curb, gutter or street reconstruction. During the 2001 Program Year, the funds were budgeted or used for the following projects:

- 1) Street resurfacing in the neighborhood bordered by Shields, Garland, Van Ness and Palm. (Census tract 48) \$83,300. Completed, bills pending.
- 2) Concrete improvements on the northeast corner of Fruit and Dakota (Census Tract 48) \$11,300 - Completed, bills pending.
- 3) Street resurfacing in the neighborhood bordered by Hughes, Olive, Marks and McKinley including the following streets: Pleasant, Floradora, Lafayette, Home, Carmen, Pleasant and Hedges. (Census tract 20) \$140,000 - Not completed.
- 4) Street improvements in Valentine and Clinton area (Census Tract 32.02) \$38,000 - Not completed.
- 5) Concrete improvements in El Dorado neighborhood near Bulldog Lane and Millbrook (Census tract 54.03) \$39,100 - Not Completed.
- 6) Curb and gutter improvements in the Cedar, Barton, Weldon and Union neighborhood (Census tract 32) \$55,000 - Not Completed.
- 7) Alley closures in District 5 in Southeast Fresno (Census tracts 4, 13) \$12,200 - Completed.
- 8) Sidewalk installations on Church between Maple and Sierra Vista and between Price and Recreation, Recreation between Church and Burns, Orange between Liberty and Butler, Hazelwood between Townsend and Butler. The project also includes a median

island at Butler and Hazelwood, ADA improvements at Chestnut (north of Church) and concrete improvements on Sierra Vista (south of Eugenia). (Census tracts 12 and 13) \$144,741 - Portions completed and remainder underway.

An Amendment to the Annual Action Plan was published on December 11, 2001 for the Council Infrastructure program, since it was included after the Plan was sent to HUD.

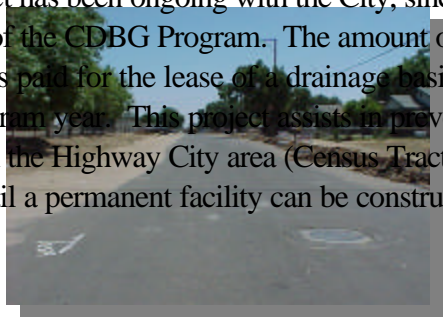
A total of \$3,343,491, including carryover funds, was expended from CDBG for the above street, curb, and sidewalk work.

Streetlight Re-lamping - Eligibility: Low/Mod Area Benefit; Public Improvements -Streets.

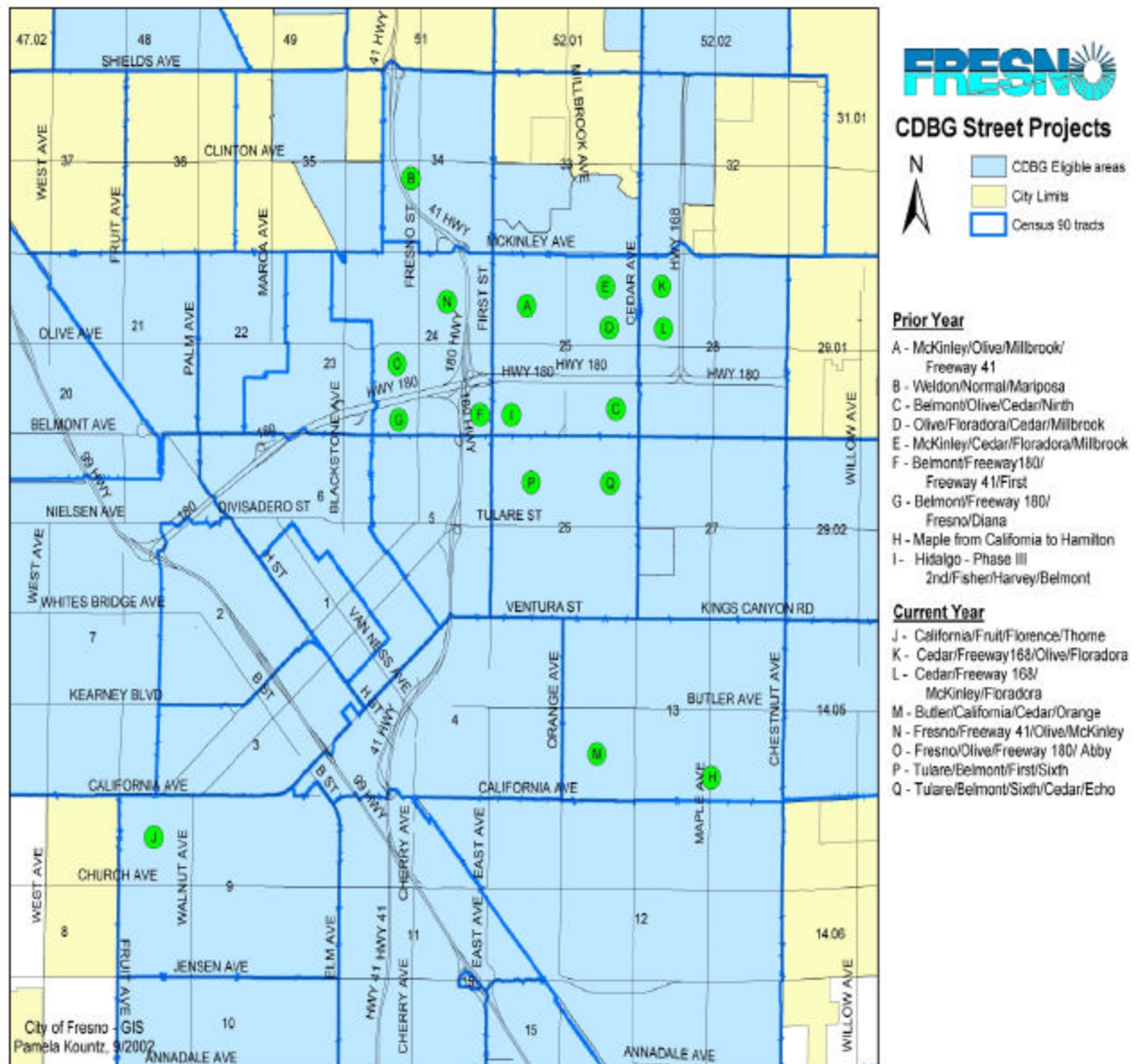
The Public Works Department upgraded 1,000 street lights in the eligible CDBG block groups in Pinedale, Lane School area and the Church and Maple neighborhood (Census tracts 44.04 and 13). The purpose of the project is to provide energy conservation and increase visibility in low-income areas, thereby reducing crime and improving public safety. Included in the project were replacement of five wooden poles with new steel poles. The location of this project is not shown but all locations are in the CDBG eligible target areas.

Lease Temporary Storm-Water Basin - Eligibility: Low/Mod Area Benefit, Public Works.

This project has been ongoing with the City, since the inception of the CDBG Program. The amount of \$3,300 was paid for the lease of a drainage basin site in the program year. This project assists in preventing flooding in the Highway City area (Census Tract 42.01), until a permanent facility can be constructed.



Map 2



Neighborhood Park Improvement Program - Eligibility: Low/Mod Area Benefit, Public Facilities - Streets.

The City has continued its program to improve park and recreational services in lower income neighborhoods by constructing new facilities and upgrading existing ones. Funding has come from CDBG monies, HUD Section 108 loan funds, and several State and federal grants. For project locations, refer to Map 3. The parks are designated on the map and in the text as sites (Project A - Project R). A total of over \$1 million in CDBG and Section 108 loan funds were expended and/or budgeted during the program year for the projects described below.

Park Facility Roof Replacement: This project involves reroofing of the recreation/restroom building at the Highway City Neighborhood Park (Project A) (140 State St.) at a cost of \$22,700. This project was completed in the 2000 Program Year. The project also included funding the reroofing of the Ivy Neighborhood Center (Project M) (1350 E. Annadale). Funding for this project is being carried over to the next program year. It was awarded in August 2002 and will be completed in FY 2002-2003. Total budget is \$265,000 with \$242,300 being carried over.

Park Facility Rehabilitation: This project provides funding for various rehabilitation activities at the following park facilities:

- Rehabilitation of the Holmes Playground (Project C) (212 S. First) - Completed in 2001-2002.
- Romain Playground gymnasiums (Project D) (745 S. First) - Completed in 2001-2002;
- Installation of security lighting at Frank H. Ball Playground and replacement of a diving board at the park's swimming pool (Project E) (760 Mayor) - Completed in 2001-2002;
- Replacement of carpet at the Ted C. Wills Community Park (Project F) (770 N. San Pablo) - Completed in 2001-2002;
- Conversion of tennis courts into basketball courts at the Hinton Community Center (Project G) (2385 S. Fairview) - Completed in 2001-2002; and
- Replacement of room dividers at the Mosqueda Community Center (Project H) (4670 E. Butler) - Completed in 2001-2002.

Although the projects were completed in the prior year, the pending bills were paid in the current program year. The project was budgeted for \$142,000. Total CDBG expenditures were \$85,807.

Children's Play Equipment Rehabilitation: Play equipment has been or is being replaced at:

- Roeding Park (Project I) (890 W. Belmont) - Completed (Section 108) (There was also a \$50,000 federal land and water conservation grant.)

- Frank Ball Playground (Project E) (760 Mayor) - Being done in conjunction with comprehensive Urban Parks and Recreation Recovery Program (UPARR) grant program
- Fink-White Playground (Project J) (535 S. Trinity) - Equipment ordered, installation in Spring 2003 (Section 108)
- Ted C. Wills (Project F) (770 N. San Pablo) - Completed
- Hinton Community Center (Project G) (2385 S. Fairview) - Completed
- Highway City Neighborhood Park (Project A) (140 State St.) - Completed
- Nielsen Neighborhood Park (Project K) (Eden and S. Fruit) - Under construction
- Radio Neighborhood Park (Project L) (First and Clinton) - Completed (Section 108)
- Ivy Neighborhood Park (Project B) (1350 E. Annadale) - To be completed in 2002-2003
- Bigby Villa (Project N) (S. Florence and Bardel) - Under construction
- Fresno Boys and Girls Club (Project O) (Cedar and Butler) - Equipment ordered.

The improvements will serve toddlers to pre-teens and provide access for persons with disabilities. The total CDBG budget was \$150,000 in Program Year 2000 with a total expenditure of \$1,590 during the fiscal year. An additional \$206,400 was budgeted in the Program Year 2001 to complete the above projects. Section 108-funded projects have not been reimbursed at this point even though the projects have been completed.

Park Facility ADA Improvements: The project improved accessibility to park and recreational facilities for persons with disabilities. Improvements included: the installation of sidewalks, curb cuts and parking lot ramps; signed and striped parking stalls; and walkways to park amenities. The improvements occurred at:

- Ivy Neighborhood Park (Project B) (1350 E. Annadale);
- Ted C. Wills Community Park (Project F) (770 N. San Pablo);
- Roeding Park (Project I) (890 W. Belmont);
- Bigby Villa (Project N) (Florence and Bardel);
- Hinton Community Center (Project G) (2385 S. Fairview);
- Highway City Community Center (Project A) (140 State Street); and
- Nielsen Neighborhood Park (Project K) (Eden and Fruit).

Except for Highway City which was completed in 2001-2002, the remaining will be completed in FY 2002-2003. A total of \$100,000 was budgeted for the project with \$71,487 carried over to the following program year for payment of outstanding billings. Total CDBG expenditures for the program year were \$28,513.

Pilibos Soccer Park: CDBG funding was provided for the construction of four soccer fields on a 13.29 acre parcel located at the northwest corner of Willow and Lane (Project P). Initial funding for the project was \$1.5 million in the FY 2000 budget. Additional funding (\$235,500) for park lighting is

in the FY 2001 budget. During the fiscal year, an additional \$39,700 was transferred to the project. The project was completed in 2001-2002.

Park Improvements: CDBG funds were allocated for a number of improvements in City parks in lower income neighborhoods. Total funding allocated during the Program Year for these improvements was \$761,500. The improvements included the following:

- a) Frank H. Ball Playground (\$199,400) - Under construction. CDBG funds were used to match a \$381,150 federal Urban Parks and Recreation Recovery Program (UPARR) grant to rehabilitate the park facilities.
- b) Granny Park (\$50,000) - Under construction and will be completed by September 2002. The park is located on Pontiac at Clark in Census Tract 51. This project was added by an Amendment to the Annual Action Plan on December 11, 2001. (See appendix for a copy of legal notice.)
- c) Mosqueda and Lafayette Park Lighting (\$11,100) - Design work for the project are underway. Installation delayed and may be done with other funds.
- d) ADA Improvements (\$158,000) - See park ADA improvement program description above. The additional funds were provided to address these park needs.
- e) Pilibos Soccer Park (\$107,700) - See Pilibos Park program description above. The additional funds were provided to complete this park.
- f) Playground Improvements (\$206,400) - See play equipment improvement program description above. The additional funds were provided to complete this park improvement program.



Hinton Center

Neighborhood Park Improvement Program



Roeding Park



Highway City

Roeding Park Curb Cuts



Arte Americas - Eligibility: Low/Mod Area Benefit, Public Facilities.

This organization provides educational and cultural opportunities primarily for children of Hispanic descent. The majority of these children are members of low- and moderate-income families. This neighborhood facility, located at 1630 Van Ness, primarily serves the low-income areas of Southwest and Central Fresno. The CDBG-funded activity is part of a larger expansion program involving the museum. The City's portion involved the installation of a new elevator that meets the Americans with Disabilities Act requirements using a combination of CDBG funds (\$50,000), City General Funds (\$50,000) and State funds. Construction was completed during the program year. A total of \$29,083 in CDBG funds was expended and the project was closed out. On location map 4, this project is referred to as Project 1.

Senior Center Acquisition and Renovation - Eligibility: Low Income, Public Facilities.

The City received a Section 108 loan for the acquisition and renovation of the old Sierra Hospital, located at 2025 E. Dakota, to be converted into a senior center. Acquisition of the \$1.5 million project was completed in the previous program year. Construction was completed in the 2001 Program Year. Total expenditures during the program year was \$478,769. The retention of \$21,231 will be paid during the next program year. On location map 4, this project is referred to as Project 2.

Chinatown Community Center - Eligibility: Low Income, Public Facilities.

The project will provide funds to make some improvements to a building at 934 "F" Street in the Chinatown section of the City. The building will be used as a community center for providing social services to the local residents. No funds were expended during the reporting period.

Fresno High School Lighting - Eligibility: Low Income, Public Facilities.

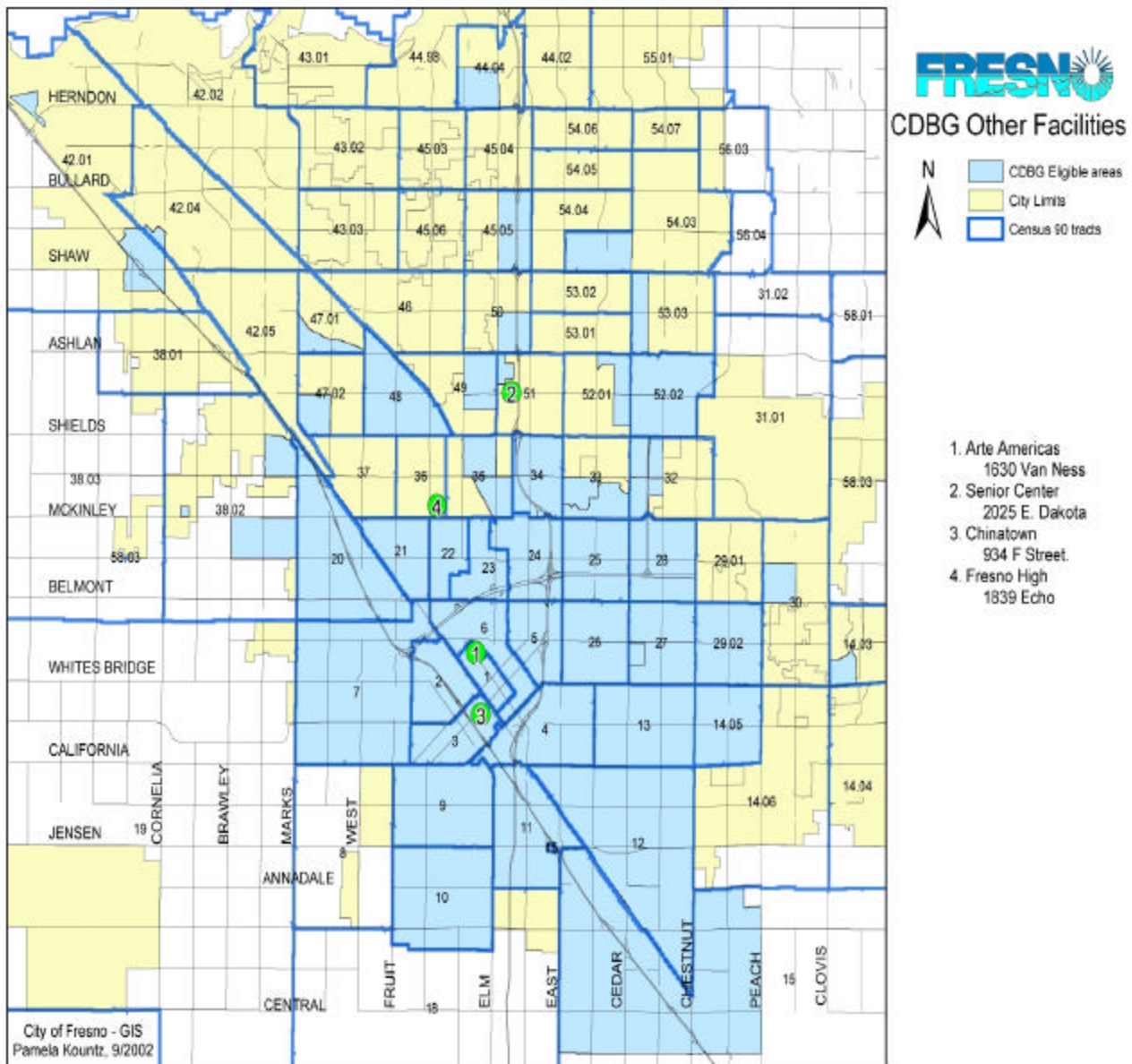
The project provided lighting for an athletic field at Fresno High School to extend its use into the evening hours. The student body of Fresno High School is mostly from lower income households. The project was initiated and completed during the Program Year. The project required a minor amendment to the Action Plan. Total CDBG expenditures for the project were \$12,700. Additional funding was provided by the school district and from private industry.

Pending Proposal.

Funds have been carried over for a proposal involving the Ivy-Carver neighborhood which is still in the conceptual stages. A number of issues remain to be resolved and include site control and

Consolidated Annual Performance and Evaluation Report
2001 Program Year

ongoing operational responsibility. Once these issues are resolved and a proposal defined, it will have to go through the required HUD environmental clearances and program amendment processes and the City Council for approval. Total CDBG funding set aside was \$112,053.80.



Map 4

Crime Awareness - Goal 6. *Improve public safety and to provide funds to increase law enforcement services, primarily in CDBG eligible areas. The budget would be allocated from the public services portion of the CDBG entitlement.*

Action Taken:

Problem Oriented Policing (POP) - Eligibility: Low/Mod Area Benefit, Public Service.

Problem Oriented Policing is a program to address recurring crime problems. It was adopted by the Fresno Police Department and the City of Fresno in 1993. POP crime control techniques employ both traditional and non-traditional policing methodologies to identify crime trends and to develop and implement long term solutions by cultivating police-community partnerships. The City is committed to this practice and sends numerous officers to annual POP conferences for training. Several officers have received national recognition for their creative solutions to crime.

In 1993, the crime rate in Fresno was at an all-time high, while citizen confidence in the Police Department slipped to an all-time low. Measures had to be taken to address the rising tide of crime, to make neighborhoods safe and to minimize the negative perception citizen had of public safety in their community. As a result, POP programs were put into place first in the Central District of Fresno, then quickly expanded throughout the City. Each officer learned the concepts of POP and was encouraged to solve problems using non-traditional law enforcement methods. POP programs have been included in most of the CDBG eligible areas of the City when crime trends are an issue.

Nationally, crime trends have begun to rise after enjoying continued declines over the past several years. The Department of Justice, Federal Bureau of Investigation's 2000 Uniform Crime Reporting data indicated national crime trends as follows: As evident in Figure 14, crime has started to rise not only in Fresno, but also across the country.

Consolidated Annual Performance and Evaluation Report
2001 Program Year

UCR Category	% Change Between 2000- 2001 (cities with 250,000-499,999 populations)	% Change Nationally Between 2000-2001	% Change in Fresno Between 2000-2001	Number of Occurrences Reported in Fresno 2000	Number of Occurrences Reported in Fresno 2001
Crime Index	+3.9	+2.0	+5.4	33,333	35,124
Violent Crime	+1.9	+0.3	+6.0	3,844	4,075
Property Crime	+4.3	+2.2	+5.3	29,489	31,049
Murder	+9.0	+3.1	+66.7	24	40
Forcible Rape	+4.9	+0.02	+23.6	161	199
Robbery	+4.0	+3.9	+4.2	1,304	1,359
Aggravated Assault	+0.01	-1.4	+5.2	2,355	2,477
Burglary	+2.9	+2.6	+15.4	4,514	5,209
Larceny/Theft	+2.9	+1.4	-2.3	18,732	18,295
Motor Vehicle Theft	+11.1	+5.9	+21.0	5,779	6,994
Arson	+4.2	+2.0	+18.8	464	551

Figure 14

There are probably a number of reasons for this increase. One reason is an 10% increase in the number of parolees last year. In 1995, the Fresno Police Department put their Violent Crime Suppression Teams on the streets. Their mission was to aggressively address those responsible for violence and gang activity. As a result, hundreds of suspects were arrested for crimes ranging from drug possession, car jacking, robbery, vehicle theft and murder. Eventually most were successfully prosecuted. Many received prison sentences ranging from five years and higher. Last year, these suspects, now parolees, began to be released back into the community. In many cases, they were not rehabilitated from their criminal ways.

Although the City is concerned about the 5.4% increase in crime, the City is optimistic about finding a quick and long-lasting solution. The City has recently formed the District Crime Suppression Team (DCST) and POP officers have become intimately familiar with the causes of this upward trend. The answer has consistently pointed toward these crime-prone parolees. An increase in parolee searches has become a new goal for these teams. We are hopeful that this will uncover criminal tendencies before they peak and minimize the past sense of anonymity that these parolees felt when returning to their old communities.

POP Teams still remain the greatest indicators of success. Below is a brief summary of sample projects occurring within CDBG eligible areas that clearly demonstrate program success:

- Earlier this year, Southwest police personnel were notified of an ongoing neighborhood problem involving reckless driving, exhibitions of speed and late night loud parties. The local councilman and constituents met with the District Commander and POP officer. It was determined that the participants in this activity were staying or visiting the tenants at 41 E. Tuolumne. The district's Crime Suppression Team used traditional police tactics to address the trouble makers. Several persons were arrested or cited. Concurrently, the owner was contacted by the POP officer and notified of problems with his tenants. The owner was given a public nuisance letter. The property was also posted for no-loitering. A month later, the owner evicted the tenants. The neighborhood has been quiet with no complaints since.
- POP officers and DCST officers still proactively address complaints of drug dealing at the street level. Most of these complaints come from locations within the CDBG-eligible areas. They utilize buy busts, buy walks and search warrants to identify the perpetrators. Within the past year, the Southwest district POP team conducted an operation specifically targeting street dealers who were also responsible for street violence and shots-fired calls. This "buy walk" operation took place over a one month period and resulted in the arrest of twenty-five persons for various drug-related charges.
- One of the more preeminent responses by the Fresno Police Department to criminal activity has occurred in the Southeast District along Kings Canyon Boulevard. This stretch of roadway is the main artery through the Southeast District's business section. Business owners and residents living along the boulevard were encircled by street gangs, illicit drug sales, blight, traffic congestion and public nuisance crimes perpetrated by a large homeless population.

In an effort to reduce problems, the police department took a problem-solving approach that included the assignment of two community police officers to patrol the boulevard on bicycles. Officers addressed citizen concerns through a three-pronged approach that included targeted enforcement, business and property owner education and community collaboration. Targeted police efforts included numerous arrests and citations made for narcotic sales, public

intoxication, loitering and traffic enforcement violations. The business and property owner's education included the identification and refusal of service to habitual drunks and undesirable tenants who were often affiliated with known criminal street gangs. As a result of this project, the police department has seen a drastic drop in calls for police service and criminal activity, and the community has seen a revived business district and new growth.

In conclusion, the POP program has allowed officers the opportunity to proactively address crime in neighborhoods where it occurs. POP officers collect data, analyze this data, formulate a response, then measure the effects of that police response as it relates to crime control efforts. This has been a very effective tool and is critical to ongoing efforts of the Fresno Police Department to implement cost effective and efficient crime control programs. Without POP resources, patrol officers would be relegated to responding to calls for service in these areas, and little else. However, proactive crime prevention is afforded only when Community Crime Control coalitions are forged. POP officers have been bringing these coalitions together to make a lasting impact.

Expenditures of CDBG funds will enable the Fresno Police Department Problem Oriented Policing Teams to expend the same efforts that have resulted in a violent crime decrease of 26.1% since 1994 (Figure 15). While the POP teams operate citywide, the CDBG program only pays for those operating in the lower-income, CDBG target areas in the City.

Total CDBG funding for the program year was \$1,209,324.

Consolidated Annual Performance and Evaluation Report
2001 Program Year

Categories	1993	1994	1995	1996	1997	1998	1999	2000	2001	Jan- June
Index Total	42,244	46,939	47,587	42,803	38,745	32,915	29,577	33,333	35,150	16,776
Percent change		11.11%	1.38%	-10.05%	-9.48%	-15.05%	-10.14%	12.70%	5.42%	
Crime rate per capita	0.108	0.117	0.117	0.106	0.095	0.081	0.071	0.079	0.083	
Violent Crimes	5,512	6,199	5,659	5,463	4,781	4,253	4,008	3,844	4,077	1,685
Percent Change		12.46%	-8.71%	-3.46%	-	-11.04%	-5.76	-4.09%	6.09%	
Willful Homicide	87	84	72	69	60	36	28	24	40	28
Forcible Rape	216	192	212	217	192	174	160	161	199	72
Robbery	2,879	2,810	2,165	2,088	1,794	1,394	1,268	1,304	1,359	635
Aggravated Assault	2,330	3,113	3,210	3,089	2,735	2,649	2,554	2,355	2,479	950
Property Crimes Total	36,732	40,740	41,928	37,340	33,964	28,662	25,569	29,489	31,073	15,091
Percent Change		10.91%	2.92%	-10.94%	-9.04%	-15.61%	-10.79%	15.33%	5.34%	
Burglary	8,472	7,658	7,633	6,868	6,640	5,206	4,419	4,514	5,207	2,138
Larceny	14,518	18,640	20,550	20,180	19,035	16,949	15,763	18,732	18,321	9,196
Motor Vehicle Theft	13,083	13,580	12,418	9,178	7,166	5,671	4,643	5,779	6,994	3,458
Arson	659	862	1,327	1,114	1,123	839	744	464	551	299
Police Report	104,581	112,387	112,797	109,113	114,074	112,622	109,855	110,714	117,881	58,467
Percent Change		7.46%	0.36%	-3.27%	4.55%	-1.27%	-2.46%	0.78%	5.7%	
Calls or Service	373,666	392,980	393,560	361,573	365,717	373,710	366,841	369,412	387,942	193,975
Percent Change		5.17%	0.15%	-8.13%	1.15%	2.19%	-1.84%	0.70%	5.02%	
Demographics										
Square Miles	101	101	101	101	101	101	104	104	104	104
Population	392,900	402,100	405,100	405,100	406,937	406,937	416,000	420,594	427,652	427,652
Sworn Personnel	410	470	502	551	599	653	694	701	701	708
Non sworn personnel	233	230	249	268	273	308	332	361	361	367

Note: Larceny/theft counts for 1992 and the first six months of 1993 were not reported due to an administrative change in reporting policy on how to document these incidents. Effective August 1993, these values were added back to the BCS figures.

Figure 15

Care Fresno Program - Eligibility: Low/Mod Area Benefit, Public Service.

Care Fresno is a non-profit organization that assists Problem Oriented Policing (POP) officers and District Crime Suppression Teams in lower income neighborhoods. Target neighborhoods are those which have demonstrated a history of a high volume of police calls for service, suggesting crime patterns. The POP officers work to address any crime issue, then request Care Fresno, as needed to follow up with longer term neighborhood interaction. The mission of Care Fresno is: "Building partnerships to restore and maintain safe neighborhoods."

Each year, volunteers work in many of the targeted neighborhoods, providing a variety of services and contacts as determined by neighborhood requests and needs. Typically, an apartment owner in the area will donate the use of a vacant apartment to Care Fresno volunteers. The volunteers, often recruited from area churches, work on-site, 1-2 days per week at this neighborhood resource center. Most centers offer tutoring and activities for children, and some offer classes and job skills training for adults. Some form associations and host meetings to address resident identified issues.

As the neighborhood becomes more self sufficient, Care Fresno interaction decreases and staff move their focus to other neighborhoods. Some centers lose their volunteer base and are closed for this reason. With a staff of only two full time coordinators, and a part time office assistant, Care Fresno cannot run any site without volunteers. There are currently around 100 long-term and 150 short-term volunteers working with Care Fresno.

Each year since inception, and continuing this year, Care Fresno sites have maintained an average 60% reduction in police calls for service.

New to the program this year was the addition of N.Y.T.R.O.E. (Neighborhood Youth Taught Responsibility, Organization and Ethics) and Crime Scene Investigation (CSI) classes for youth. This adventure based series of classes follows the path of a crime, with students solving the “mystery.” Students learn how to handle evidence and gather information from a situation. They use problem solving skills and team work to “solve” their mystery. Graduates of the class are presented with a Certificate of Graduation, and treated to a tour of the crime scene processing section of the Fresno Police Department.

The classes presented to date were very successful, and drew an older audience of teenagers than what is typically seen at the tutoring centers. So far, forty-six children and one adult with learning disabilities have participated in the classes. In several cases, parents attended with their children, which was another positive interaction.

At two locations, a senior citizen interaction program has been started, with weekly meetings. This project will be expanded in the coming year.

Number of Care Fresno sites by City Council District:

District	Number of Sites
District 1	3
District 3	4
District 4	1
District 5	1
District 6	1
District 7	4

Figure 16

The following sites were open last year:

Amberway Apartments 1920 E. Pontaic	Sierra View 3294 E. Dakota	The Park at Fig Garden 4085 N. Fruit
Dakota Woods 2021 W. Dakota	Villa Hermosa 2130 N. Marks	Fig Garden Villa 1544 E. Fedora
First Baptist 1400 E. Saginaw	Whispering Woods 5241 N. Fresno	Winery Apartments 1255 S. Winery
Kings Estates 2705/2715 S. Martin Luther King	Shields East 4735 E. Shields	Fountain West Apartments 2530 W. Fountain Way
Martin's Park 375 N. Glenn	Plaza Mendoza Apts 1725 N. Marks	

Plaza Mendoza, The Park at Fig Garden and Fig Garden Villa are new sites. The Winery Apartments is now a graduated site.

Total CDBG expenditures for the program year were \$45,000 with \$15,000 carried over to cover fourth quarter expenditures.

CARE FRESNO PARTNERSHIPS		
Educational:	Calif. State University Fresno Fresno Pacific University Fresno City College	Fresno Unified School District Clovis Unified School District
Federal:	Dept. of Justice (Weed & Seed)	
City of Fresno:	Fresno Police Dept. Police Activities League Fresno Fire Dept.	Fresno Parks & Recreation Citizens on Patrol
County of Fresno:	Health Dept.	
Nonprofit Organizations :	Camp Sugar Pine Ecumenical Association for Housing Evangelicals for Social Action Fresno Area Churches Hope Now for Youth	Rotary Club The Peter F. Drucker Foundation United Way of Fresno County World Impact
Corporations:	AT & T Bank Of America Blackbeards Fresno Chiropractic and Rehab Gottschalks Ice-O-Plex	Imperial Bank Macys Mc Donald's Pizza Hut Prudential Insurance Wells Fargo Bank Wild Water Adventures

Figure 17

Anti-Poverty Plan

Emergency Shelter and Transitional Housing / Prevention of Homelessness / Permanent Housing for Homeless - Goal 7. *Continue to provide assistance for the homeless and those in danger of becoming homeless and improve the communication and service delivery capabilities of agencies and organizations that provide programs to assist the homeless.*

Action Taken:

Continuum of Care Plan - Eligibility: Low/Mod Direct Benefit, Homeless Shelters .

After projects in the federal FY1998 Continuum of Care competitive round did not score high enough to be funded, staff from the City and HUD's Fresno office worked together with local homeless service providers to form a Continuum of Care Collaborative (COCC). The COCC now has 119 members and a steering committee of 20 persons. As a result of their collaborative effort, nearly \$4.2 million was awarded for nine programs in November 2001. The grant awards are shown in Figure 18. The Collaborative has applied for an additional \$4 million in the 2002 funding round.

During the program year, the Collaborative conducted a street survey of the homeless. This was a HUD requirement for receiving additional funds. It has allowed the Collaborative to develop and implement a stronger strategy in identifying and addressing the needs of the homeless in the city. Agencies also received an additional \$1.2 million in State Emergency Housing Assistance Program (EHAP) funds through the Collaborative's efforts.

The mission of the Collaborative is to prevent, reduce and ultimately end homelessness in the Fresno/Madera metropolitan and rural areas. The 2002 Continuum of Care was developed through an active participatory process involving the City, the local HUD office and agencies serving veterans, homeless, seniors, persons with disabilities, HIV/AIDS, mental illness, and substance abuses as well as health organizations and churches. These advocates represent persons that may, or may not, be homeless, but have special needs that may require supportive housing, including persons with HIV/AIDS.

LOCAL PRIORITY	PROJECT SPONSOR	PROJECT NAME	PROPOSED PURPOSE	GRANT REQUESTS	STATUS
1	Housing Authority	Shelter Plus Care	Vouchers for homeless persons	\$538,200	19 of the 23 rental subsidies for homeless persons with disabilities for five years are receiving benefits. Agreements have fully been executed.
2	Fresno Co. E. O. C.	Sanctuary Transitional Living Center	Transitional housing for homeless youth	541,708	Renewal 3 year grant for 14 units for homeless youths. Agreement being negotiated with HUD.
3	Housing Authority	HMIS Information System	Data collection-area's homeless	300,000	Upgrade computer system for agencies to track the homeless in the community. Agreement being negotiated with HUD.
4	Marjaree Mason Center	Transitional Living - Project Homeward Bound	Housing-domestic violence victims.	196,448	Renewal grant which provides 23 beds for 7 families
5	Turning Pt. of Cent. Cal	Transitional Living Center	Housing for mental illness and substance abuse.	520,719	Renewal grant for 30 beds. Agreement has been approved.
6	Turning Pt of Cent. Cal.	Transitional Housing	Same as #5	223,806	Same as #5.
7	Valley Teen Ranch	Transitional Living Home	Transitional living for 18-21.	140,545	Site has been identified. E.A work is underway.
8	Turning Pt of Cent. Cal.	New Outlook Program	Families with mental health disorders	1,573,755	E.A. work is underway. Waiting for signed contract.
9	Spirit of Woman	Transitional Living	Services and housing to homeless women with children	156,000	Transferred the funds from Catholic Charities.
		Total Grant Request		\$4,191,181	

The Sanctuary, Marjaree Mason Center and Turning Point projects were given high priority ranking, since their applications were renewal SHP grants. There was an indication that renewals would be given priority consideration from HUD. The remaining applications were new projects. Third ranking was given to a Housing Authority information system project for the Continuum of Care program, since the Housing Authority has taken over the administrative functions of the COCC.

With the Collaborative functioning on its own, the City and local HUD roles are now primarily advice and support. Goal and priority setting and the identification of obstacles are the responsibility of the participating homeless providers through the Continuum of Care Collaborative.

The immediate goals of the Collaborative are to secure federal and State funding for its participating agencies, formalize its membership criteria and expand its membership. The Collaborative has also adopted a number of planning goals which included:

- formalizing and strengthening the Collaborative as the governing instrument for the Continuum,
- hiring staff;
- enhancing and stabilizing the homeless provider organizations within the Continuum;
- developing additional case management and social work services in various programs;
- increasing the number of beds for the homeless; and
- increasing the amount of affordable housing for transitional housing providers.

The COCC became the forum by which local priorities were established for local providers in applying for State Emergency Housing and Assistance Program (EHAP) funding. During the program year, local agencies received approximately \$780,000 in EHAP funds.

Certificates of Consistency were provided to each of the agencies for their Continuum of Care Supportive Housing Program and Shelter Plus Care Program. The agencies demonstrated consistency with the priorities established in the City of Fresno's Consolidated Plan.

Emergency Shelter Grant (ESG) Program

The City continued to fund shelters for the homeless and to carry out on-site monitoring. The six agencies which continued to receive ESG funding in Program Year 2001 were: the Marjaree Mason Center, Poverello House, Fresno County Economic Opportunities Commission (EOC) - Sanctuary Program, Turning Point of Central California, Inc., Maroa Home and Spirit of Woman. A seventh grant was given to EOC which received a second ESG grant for their new transitional living center. An eighth homeless shelter, McKinley House, was not able to demonstrate to the City's satisfaction that it was a nonprofit agency so the City did not execute a contract with them.

During the previous program year, the City took court action to regain CDBG funds expended several years ago by Central Valley Aids Team (CVAT) for capital improvements and by Alpha House for an acquisition/rehabilitation activity. The distribution of assets has not be resolved for either project.

During the program year, the homeless agencies receiving ESG funding provided over 540,000 meals and over 108,000 shelter nights to homeless individuals and families. The ESG Program requires that the funding recipients to provide an equal amount of funding from non-ESG funding sources (i.e., greater than \$274,290). The agencies reported a total of \$1,154,327 in matching funds during the program.

The results of the program year activities, as provided by the quarterly monitoring reports submitted by the seven recipients, are shown in Figure 19. Emergency Shelter Grant (ESG) funding levels for each of the agencies are also shown in Figure 19. ESG funding provided reimbursement for shelter maintenance and repair, security, insurance and utility costs. There were no slow moving projects

All 2001 Program Year ESG funds were committed during the program year. Seven shelter agencies were funded with contracts executed July 1, 2001. All fourth quarter and some third quarter reimbursements for Program Year 2000 funds were made in the 2001 Program Year.

*Consolidated Annual Performance and Evaluation Report
2001 Program Year*

EMERGENCY SHELTER GRANT FUNDING									
	Marjaree Mason Center	Poverello House	EOC Sanctuary	EOC Sanctuary TLC	Turning Point/ TLC	Spirit of Woman	Maroa Home	Totals	%
Funding	\$82,479	\$82,379	\$55,911	\$15,105	\$17,913	\$26,96	\$29,0	\$309,96	
Meals	115,557	301,127	23,090	6,636	0	49,296	43,32	539,030	
Units of Shelter	38,519	10,251	4,711	10,703	9,618	21,919	13,14	108,861	
African-Amer.	336	3,841	229	21	27	48	13	4,515	26.32%
American	8	0	9	0	0	10	0	28	0.02%
Asian/Pacific	14	2	4	2	0	0	4	26	0.02%
Caucasian	513	3,378	238	39	128	141	104	4,541	26.47%
Hispanic	944	5,688	507	63	60	150	98	7,510	43.77%
Cambodian	2	0	1	1	0	0	0	4	0.02%
Hmong	25	3	11	6	0	3	0	48	0.27%
Lao	4	0	9	0	0	0	0	13	0.08%
Vietnamese	1	0	0	0	0	0	0	1	0.01%
Filipino	2	0	5	0	0	1	1	9	0.05%
Other	77	290	77	0	0	13	4	461	2.69%
0 to 12	888	1,529	121	33	0	156	0	2,727	14.72%
13 to 17	115	320	961	1	0	0	0	1,397	7.54%
18 to 34	556	1,830	5	98	86	167	173	2,915	15.74%
35 to 54	346	3,600	0	0	124	38	49	4,157	22.44%
55 to 64	13	6,835	0	0	3	0	1	6,852	36.99%
65 or older	2	472	0	0	2	0	1	477	2.57%
Unknown	6	0	0	0	0	5	0	101	0.05%
Female	1,458	2,058	460	77	96	291	0	4,440	26.24%
Male	468	11,159	358	55	119	75	244	12,478	73.76%
Matching Funds	\$500,000	\$100,000	\$55,911	\$100,000	\$316,458	\$26,958	\$55,00		100%
Source	State & Federal	Private Donations	Foundation	State funds	State/ federal	Service fees	Fund- raising		9/5/02

Supportive Housing Program

The City is administering one remaining Supportive Housing Program (SHP) grant. During the year, the City worked closely with HUD and the Fresno County Economic Opportunities Commission's Sanctuary Program to close out their grant. The three-year SHP grant was provided to the Fresno County Economic Opportunities Commission (EOC), Sanctuary Program, for the acquisition and rehabilitation of a 16-unit apartment complex for homeless youths. Acquisition and rehabilitation were completed in 1999 and the Transitional Living Center facility began operation in November 1999. Throughout the program year, the transitional living center operated at full capacity. The purpose of the facility is to move young, homeless people into independent living within two years.

During the process of transferring the program to EOC, it was discovered that EOC did not relocate the previous tenants in accordance with HUD's acquisition and relocation requirements. HUD and EOC are currently working out a strategy to correct this problem so the program can be successfully closed out.

External Support - Public Services - Goal 8. Depending on funding availability, continue to provide assistance to public agencies and nonprofit organizations providing neighborhood housing services, supportive services to the homeless, adults with physical and/or mental impairments, the mentally ill, victims of domestic violence, and households with abused children among others. Coordinate with public agencies providing job training, life skills training, lead poisoning prevention and remediation and other education programs that support the City's housing and community development strategies.

Action Taken:

The City reviewed applications for funding based on community priorities, prior commitments, and funding availability. HUD allows the City to fund up to 15% of its CDBG allocation for public services activities. The City budgeted and expended 15% of its CDBG funds for Care Fresno, Consumer Credit Counseling Program and the Problem Oriented Policing (POP) Program. The POP and Care Fresno Programs were discussed earlier in the CAPER under Goal 6. In the prior program year, the City chose to account for its fair housing program as an administrative cost to allocate a greater share of its funds to public services. This practice was continued in the 2001 Program Year. The City's fair housing program was discussed earlier in the CAPER under Goal 1.

Consumer Credit Counseling Services (CCCS) Program - Eligibility: Low and Moderate Income; Direct Benefit; Public Services.

CCCS provided consumer education and counseling services to enhance the credit rating for first time homebuyers and tenants, under the City's CDBG contract. CCCS programs include the following:

- instruction on the wise use of credit;
- development of sound personal financial management skills;
- housing consumer rights and responsibilities;
- mortgage financing options for low and moderate income families;
- fair housing;
- shopping for affordable housing;
- insurance;
- maintenance; and
- foreclosure and eviction prevention.

Activities are made available in English, Spanish, Hmong, Thai, Cambodian and Lao.

CCCS conducted Homebuyer Education and Learning Program (HELP) workshops for a total of 262 persons during the program year. Seventy-four percent of the participants in the HELP workshops were of low and moderate income. Twenty-three percent of the participants were from female-headed households. Seventy percent were Hispanic, ten percent White, three percent were African

American, twelve percent were Asian, five percent Native American and five percent were recorded as from other groups. In an effort to reach out to the Southeast Asian population, CCCS participated in the Hmong New Year event and met with Asian congregations.

Total CDBG expenditures for the 2001 Program Year were \$18,750.

Other Public Service Funding

Instead of using CDBG funds, the City used \$574,294 in discretionary City General Funds for the social services programs as shown in Figure 20.

Consolidated Annual Performance and Evaluation Report
2001 Program Year

FY 2001-2002 Social Services Program

Agencies	Program	Funded in FY2001- 2002
Boys and Girls Clubs	Beat the Street	\$67,894
Calif. Assoc. of Physically Handicapped	Center for Independent Living	\$22,239
Catholic Charities	Senior Service Program	\$5,917
Catholic Charities	Emergency Food Program	\$20,516
Centro La Familia	Family Advocacy Project	\$31,714
Comprehensive Youth Services	Family Preservation	\$20,048
Court Appointed Special Advocates		\$12,921
Criminal Justice Alternatives	Alternative Sentencing Program	\$12,129
Deaf and Hard of Hearing Service Center Inc.	Coping with Your Current Life Experiences	\$5,168
Exceptional Parents Unlimited	Learning About Parenting	\$16,419
Community Food Bank	Emergency Food Distribution Prog.	\$27,407
Fresno Econ. Opp. Commission	Foster Grandparents	\$13,312
Fresno Econ. Opp. Commission	Sanctuary	\$17,228
Fresno Econ. Opp. Commission	Senior Aides	\$4,931
Fresno Pacific University	Older Am. Social Services (OASIS)	\$21,694
Friendship Center for the Blind	Services to the Blind	\$30,853
Hope Now For Youth	Gang Intervention/Crime Prevention	\$16,209
House of Hope for Youth	Project ARC	\$24,823
House of Hope for Youth	Youth Truancy Diversion	\$17,228
Marjaree Mason Center	Emergency Shelter	\$54,972
Older Americans Housing	Fresno Learning Center	\$7,595
Older Americans Satellite	Glen Agnes Comm. Center	\$3,451
Poverello House	Food / Social Services	\$22,681
Rape Counseling of Fresno	Rape Counseling	\$33,696
Spirit of Woman of California, Inc.	Intervention/Prevention for At-Risk Children	\$9,861
Trabajadores de la Raza	Gang/Juvenile Delinquency Prevention	\$29,130
Valley Caregiver Resource Ctr	Fresno/Madera Ombudsman	\$5,029
Volunteer Bureau of Fresno County	Volunteer Connection Program	\$9,861
The Way Ministries	Juvenile Delinquency Prevention	\$9,368

*Consolidated Annual Performance and Evaluation Report
2001 Program Year*

Total	\$574,294
--------------	-----------

Note: The amounts were rounded to the nearest cents.

Housing for People with AIDS (HOPWA):

The City does not receive an allocation of HOPWA funds from HUD. This is because the City does not have enough reported cases of AIDS and HIV. Last year, Fresno County did receive an allocation of \$189,507 in HOPWA funds and subcontracted \$54,429 of that amount to the Fair Housing Council. Fresno County Health Services Department provides short term rental and supportive services. The Fair Housing Council provides fair housing counseling and resource identification type services.

Economic Development - Goal 9. Promote economic development and redevelopment.

Action Taken:

Empowerment Zone Designation:

On January 1, 2002, the City was one of only seven cities nationwide to be designated in Round III as an Empowerment Zone (EZ) by the U.S. Department of Housing & Urban Development (HUD). This designation, which is for a nine-year period, will provide:

- Wage Credits including Employment, Work Opportunity and Welfare to Work tax credits.
- Specialized Deductions for buildings and equipment, including increased Section 179 and environmental clean up cost deductions.
- Bond Financing including EZ Facility and Qualified Zone Academy bonds.
- Capital Gain incentives such as non-recognition of gain on sale of EZ assets and partial exclusion of gain from sale of EZ stock.
- Housing Tax credits for newly constructed or renovated rental housing including New Markets Tax Credits and Low Income Housing Tax Credits.

In addition, the area roughly coincides with a previously-designated State Enterprise Zone.

During the Program Year, the City has been in the startup phase of the EZ program with program development and refinement, staff training and community workshops. City's core areas and developable sites were confirmed by HUD and formally adopted by the City on June 25, 2002. Criteria has been prepared for developing a database of companies located in the zone. The City has been working on establishing a governance board and expects that board to be in place by July 2002. A rapid response team is being formalized with agreements being executed. The City has been meeting with U.S. Economic Development Administration regarding an additional \$500,000 for a revolving loan fund and has received a favorable verbal commitment.

The City is preparing a marketing campaign to promote the development in the zone. Flyers, including bilingual flyers, have been developed, informational media events organized and a web page initiated. During the program year, 1391 vouchers were processed, 205 persons attended City workshops, and 667 businesses and persons were contacted about the zone. Meetings have been or are being scheduled with the banking industry, local accountants, local business leaders and economic development groups to explain the purpose of the zone and how it can help address the needs of the central core of the City.

Empowerment Zone

Section 108 Loan Repayments - Security Pacific Towers and Regional Medical Center - Eligibility: Low/Mod Direct Benefit; Economic Development.

Since 1996, the City has received four separate Section 108 loans: 1) the Security Pacific Towers project; 2) the Regional Medical Center project; 3) Senior Resource Center; and 4) Parks/Streets. The Senior Center and Parks/Streets projects were discussed earlier in the CAPER Report under Goal 5. The City made a total of \$856,661 in principal and interest payments from its CDBG funds for the four Section 108 projects during the program year.

During the 1998 Program Year, the City declared the Towers project to be in default and transferred some of the remaining funds to complete the funding requirement for the Medical Center project. At the same time, the City reduced the Section 108 loan for the Medical Center project by \$1.9 million which is the amount that it had not drawn down for the project. The City is under no obligation to repay the \$1.9 million, since the bonds for that portion of the project had not been issued. Total City Section 108 obligations for the Medical Center project remain at \$4.9 million.

The purpose of the Regional Medical Center project is to reduce blight on the north side of the downtown area. The Section 108 portion of the project is to acquire property for the project. Much of the first phase acquisition has been completed. Additional acquisition will continue into the next program year. During the 2001 program year, \$540,658 was disbursed to cover the acquisition activities. A total of 3 properties were acquired during fiscal year 2001-2002. One property was acquired through negotiated sale. The other two properties were obtained through eminent domain action when the owners were unable to deliver title. The Agency has received direction from Community Medical Center to proceed with the next phase of land acquisition.

On the non-Section 108 side of the project, construction of the new Acute Care/Burn and Trauma Center is under way and anticipated to be completed by October 2006. In February 2002, the Hospital held a "topping ceremony" celebrating the placement of the final steel girder. The existing Hospital has undergone remodeling. Adjacent to the Regional Medical Center, the former Cornerstone Church building was remodeled to house Hospital personnel and Hospital records. Staff moved in August 2001. Construction for the Central Power Plant has commenced and is progressing towards completion. Design work on the Ambulatory Care Building began in the Fall 2000. Conceptual site plans for the University of California-San Francisco (UCSF), Medical Education and Research Center (MERC) have been completed and the budget for construction has been approved for FY02. On April 5, 2002, the Agency, City and Hospital transferred land to UCSF for their \$26 million MERC Building. Construction is anticipated to begin in September 2002, with a projected completion in the spring of 2004.

Total private/public investment at the site is expected to exceed \$300 million over the next five years. The Agency/City have taken steps to reduce blight in the area as part of the project. Additional activities in the future will build on the efforts already taken by the RDA/City.

Economic Development Commission (EDC)

Through the use of non-CDBG funds, the City has supported the efforts of the Economic Development Commission of Fresno County in creating jobs for the local economy. During the program year, the EDC worked with five firms in the City of Fresno that created 235 new jobs.

Monitoring - Goal 10. *Establish and implement a monitoring program for the Consolidated Plan and other housing activities.*

Action Taken:

Administration - Eligibility: Assumed benefit to Low/Mod Benefit, Administration.

HUD permits the City to utilize a portion of each grant to prepare the annual funding application and performance reports, monitor approved activities, develop programs, assure citizen involvement in the process, provide technical assistance and take necessary steps to assure federal program requirements are met. These activities also include addressing environmental and historic preservation issues.

As part of its administration, the City uses CDBG funds to cover part of its historic preservation program. The City is a Certified Local Government (CLG) under a Programmatic Agreement with the State Office of Historic Preservation. As a CLG, the City can independently review projects which use federal funds that may affect houses and buildings that are, or may be historic resources. In short, any house or building, however modest, that is over fifty years old cannot be demolished, removed or even rehabilitated through a federally funded project without an assessment by the City's Historic Preservation Project Manager.

The City Council first adopted an Historic Preservation Ordinance in 1979. The Ordinance established an Historic Preservation Commission which oversees the Official List of Historical Resources. The Commission also reviews applications and permits affecting potential historic resources within the City limits.

Current preservation projects include an historic district nomination for Chinatown, the CDBG-eligible, mixed-use business core of West Fresno. Other projects include design review for low-income, in-fill housing in various CDBG-eligible areas and historic oversight for the "Armenian Town/Appellate Court Project."

In addition, CDBG funds were used for staffing in preparing the Pinedale Community Preliminary Needs Assessment which was completed on June 20, 2002. The needs assessment will be used as background information for the preparation of the Pinedale Area Specific Plan during fiscal year 2002-2003. Pinedale is a low-income neighborhood in North Fresno.

The design guidelines for the Fulton-Lowell Plan were completed in the prior year with CDBG funds. These design guidelines were for new and existing commercial and residential development located in the two Central City neighborhoods. This year, the City wanted to see how the design guidelines worked prior to incorporating them into the Plan. It is expected that the guidelines are now ready to be inserted into the Plan and that is expected to occur in September 2002.

The City also classified its CDBG contribution to the Fair Housing Council as an administrative cost during the program year which brought its total administrative costs to \$496,004.74 or 5.44% of the CDBG grant and program income. An additional \$171,191.06 was expended but not drawn down during the program year. This would have increased the percentage for administration to 7.3% which is well below the 20% which the City is allowed to spend for CDBG program administration.

In addition, the City expended its full 10% allowed for HOME program administration. It drew down \$266,473 in HOME funds during the program year to administer the program, the amount permitted by the grant, and carrying over \$124,326 not drawn down by the end of the fiscal year.

The City also budgeted \$15,488, the full 5% administrative costs permitted for the ESG program. A total of \$10,725 in ESG grant funds, including \$4,823 from prior year funds, was drawn down during the program year to administer the program. The remaining amount (\$9,586) will be carried over to be drawn down at the outset of the next program year. The City conducted 23 on- site monitoring visits to the agencies during the program year to ensure program compliance.

Affirmative Marketing - Minority Business Enterprise and Women Business Enterprise Analysis - Eligibility: Low/Mod Direct Benefit, MBE/WBE.

The City has adopted a policy statement expressing a commitment to use Disadvantaged Business Enterprises (DBE), which includes the former Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) in all aspects of contracting financed in whole and in part by the federal government. The policy is to create a level playing field on which DBEs can compete fairly for federal contracts and subcontracts. In compliance with rules and regulations contained in 49 CFR Part 26, the City DBE policy and commitment are directed at construction projects and procurement of professional services, supplies, equipment, and materials. The objective of the DBE program is to involve disadvantaged business enterprises in all aspects of federal contracts.

The City Manager has general responsibility for implementing the DBE policy. The DBE program is routinely administered by the City's DBE/Small Business Coordinator in the Department of Administrative Services. The DBE Liaison Officer is responsible for carrying out technical assistance activities for disadvantaged business enterprises and for disseminating information on available business opportunities so that disadvantaged business enterprises are provided an equitable opportunity to bid on City contracts. The objectives of the DBE Program are listed, as follows:

- To aggressively seek out and identify firms owned and controlled by socially and economically disadvantaged individuals who are qualified to provide the City with required goods, materials, supplies, and services needed for the City's operations.

- To develop and implement information and communication programs and procedures geared to acquaint prospective DBEs with the City for contracting and procurement procedures and requirements.
- To contribute to the economic stability and growth of DBEs in the Fresno metropolitan area.
- To attain the annual DBE participation goals as established with the Federal Transit Administration, the Federal Aviation Administration, the Federal Highway Administration, and any other federal agencies requiring goal submission and to meet all federal guidelines in the administration of this program.

The City has an Affirmative Marketing Policy and has developed a plan for use in accordance with HOME Program regulations. The Policy is applied to all programs where required by the HOME Program.

Figure 21 indicates this program year's accomplishments in terms of encouraging contractor participation in the housing repair and rehabilitation programs within the Department of Housing, Economic and Community Development.

*Consolidated Annual Performance and Evaluation Report
2001 Program Year*

Disadvantaged Business Enterprise Contractor/Sub-Contractor/Owner Participation					
		Black	Hispanic	White	Total
CDBG					
Senior Paint	Amount:	\$950	\$26,955	\$36,350	\$64,255
	Participants:	1	2	5	8
Emergency Repair Grant	Amount:	4,000	0	32,000	36,000
	Participants:	1	0	5	6
HOME					
Owner-Occupied Rehab.	Amount:	72,526	57,567	206,031	336,124
	Participants:	2	2	4	8
Rental Rehabilitation Program	Amount:	0	0	120,000	120,000
	Participants:	0	0	2	2
Closed-Out Rental Rehabilitation					
Rental Rehabilitation	Amount:	40,000	0	40,000	80,000
	Participants:	1	0	1	2
Senior Paints	Amount:	0	8,750	7,000	15,750
	Participants:	0	2	1	3
<u>Totals</u>	Amount:	\$117,476	\$93,272	\$441,381	\$652,129
	Participants:	5	6	18	29
(All contractors listed are males. No female contractors participated during this program year.)					

Figure 21

Citizen Participation Plan - Eligibility: Administration.

The City adopted a new, more detailed citizen participation plan in February 2002. The Plan expanded the City's citizen participation process to include community meetings which involve City Councilmember participation. The Plan formalized its program amendment process and added locations where the City documents can be reviewed. A section on relocation and displacement was included.

ADDITIONAL RESOURCES AVAILABLE THROUGH COLLABORATIVE EFFORTS

FRESNO HOUSING AUTHORITY:

The following information was received from the Fresno City and County Housing Authorities:

The Fresno City and County Housing Authorities (Housing Authority) and the City recognize the need for affordable housing beyond that provided by traditional public programs. There is a segment of the Fresno community, the working poor (individuals earning between 60 and 80 percent of the area median income), whose housing needs are being inadequately addressed and, given the cyclical nature of the real estate market, will be significantly under served in the future. It is this market that the Housing Authority has targeted for an Affordable Housing Preservation Program and the City has targeted for the Downpayment Assistance Program (DAP) and the Lower Income Homebuyer Program (LIHP). The federal Public Housing Authority Program provides for the Housing Authority to acquire well-located, market-rate, multi-family rental complexes for the purpose of maintaining affordable rents. The Housing Authority acquires these projects through the issue of long-term, tax-exempt bonds. Since the program was implemented in January 1994, there have been 290 rental units acquired by this method.

The Housing Authority, working through a nonprofit affiliate, the Housing Assistance Corporation (HAC), has been instrumental in adding 1,017 units to the City's affordable rental housing stock. These units were acquired and rehabilitated using the Section 42, Low Income Housing Tax Credit Program.

In addition, on July 20, 1999, the City approved an application from the Housing Assistance Corporation partially using Community Housing Development Organization (CHDO) HOME Program funds to construct a 48-three bedroom unit apartment complex. The project was completed during the Program Year. Additional information regarding this project is provided on page 9.

The Housing Authority received \$2.4 million in their Capital Fund Program to rehabilitate 188 units in Yosemite Village and Funston Place.

The City provided Certificates of Consistency to the Housing Authority for the FY2001 Family Unification Program, the Youthbuild Program funding application, and the Agency's Five Year/FY2002 Annual Plan. Yosemite Village will be modernizing the remaining units. Certificates of Consistency are provided to agencies that request verification and support in accordance with the priorities established in the City's Consolidated Plan.

During the Program Year, the City and the Housing Authority partnered in preparing a HUD lead-based paint grant application. See Page 38 for details.

The City also prepared Certifications for additional Section 8 vouchers under the following three Housing Authority program applications: Healthy Homes Demonstration Program, Family Self Sufficiency Program, and Mainstream Housing Opportunities for Persons with Disabilities. There was a decrease of 780 vouchers during the program year since a three year contract with HUD for the additional vouchers expired.

Housing Programs

As noted on page 6, the single largest source of affordable public housing in the Fresno area is the Housing Authority. In its role as a provider of affordable rental housing, the Housing Authority provides the following tenant services:

Public Housing Units - The Housing Authority manages and maintains 1,230 public housing units in twenty complexes within the city. Vacancy rates continue to be almost nonexistent. As of June 30, 2002, one percent of all public housing units were vacant.

Since 1990, over \$28 million has been spent on rehabilitating complexes throughout the city. During the program year, the Housing Authority received nearly \$2.5 million from HUD's Comprehensive Grant Program. This program and similar programs in the past have allowed the Housing Authority to modernize nearly all of the complexes in the City, since 1980. In the last 12 years, all complexes in West Fresno have received modernization funding.

Section 8 Units - Within the city, the Housing Authority provides Section 8 rent subsidies to about 6,007 families. As mentioned earlier, this was a decrease of 780 vouchers from the previous program year. During the program year, the Housing Authority adopted a new operating system for persons waiting for vouchers. A call center now only takes applications over the phone; the opening is advertised through public notice. When the call center is open, approximately 700 calls are received on a daily basis. Each applicant is determined to be eligible or ineligible. The call center reopens, once the waiting list is exhausted and sufficient funding becomes available.

The Housing Authority also offers programs that assist low-income home buyers:

Homeownership Opportunities Program - The Homeownership Opportunities Program allows current public housing tenants who are prospective home buyers to accumulate a down payment, called a Home Ownership Reserve. This reserve comes from the Housing Authority's budgeted maintenance costs. Tenants of single family homes owned by the Housing Authority receive the benefit of accumulating any maintenance reserve on the assumption that they perform routine maintenance themselves on their rental home, thereby saving the Housing Authority labor and material costs. A

training course is provided to tenants which teaches them the skills necessary to perform routine maintenance tasks as well as useful information about home ownership. This course has been a key ingredient to the success of the Homeownership Opportunities Program. Sixty-four houses were sold to low-income families during the Program Year.

Mortgage Credit Certificate Program - A Mortgage Credit Certificate (MCC) program is administered by the Housing Authority. This program provides first-time home buyers the first mortgage loan. The credit is taken annually as long as the owner occupies the residence and maintains the original mortgage. Forty-five MCCs were issued by the Housing Authority to home buyers.

Housing-Related Self-Sufficiency Programs

Over the years, the Housing Authority has developed a variety of programs to help address the drug and/or crime problem and encourage families to achieve economic self-sufficiency. These programs include the following: Family Self-Sufficiency Program, Resident Initiatives, Family Education Centers, Karl Falk Memorial Scholarship Program, Youth Mentor Program and Building Stronger Families Program.

SUPPORT FOR OTHER AGENCIES:

The City supports other agencies in seeking other funds to address needs within the city. In addition to supportive actions mentioned elsewhere in this Report, Letters of support and/or Certificates of Consistency with the Consolidated Plan and/or Empowerment Zone Strategic Plan were provided for the following programs:

Agency	Grant/Loan Program
Consumer Credit Counseling Service of Central California	Fair Housing Initiatives
Consumer Credit Counseling Service of Central California	FHIP Education and Outreach General Component
Fresno County Economic Opportunities Commission	Youthbuild
Enterprise Foundation	HUD technical assistance
State Center Community College District	Hispanics Serving Institutions
Fair Housing Council of Central California	Fair Housing Initiatives Program, Private Enforcement Initiative

CITY OF FRESNO SELF EVALUATION OF THE 2001-2002 ANNUAL ACTION PLAN

The City has completed the second year of its 2000-2004 Four-Year Consolidated Plan program. The City, by way of its 2001-2002 Annual Action Plan, focused on ten priorities identified in the Consolidated Plan and described, beginning on page 9 of this CAPER report. On an annual basis, various priorities will be emphasized over the four-year period, as the City responds to community input, needs and accomplishments. The following highlights some of the activities that have taken place with Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Shelter Grant (ESG) and other City resources during the past program year:

- **Housing Policy adopted:** On April 9, 2002, the City Council adopted the following housing policies: 1) Improve and preserve the quality of housing in our existing neighborhoods; and 2) Increase the quantity of affordable housing. As part of the action, the Council approved two recommendations identifying several programs that could be implemented to address City needs. In addition, the City has requested technical assistance from HUD through their consultant, ICF Consulting, to evaluate and modify the City's housing programs.
- **Empowerment Zone:** On January 1, 2002, the City was one of only seven cities nationwide to be designated as an Empowerment Zone. The designation provides a variety of incentives to businesses located or wanting to locate in specific lower- income neighborhoods. There are also incentives to employ lower-income residents.
- **Housing Rehabilitation:** The City and Redevelopment Agency programs improved the condition of 391 housing units during the program year through their various rehabilitation programs. This included fifteen owner-occupied units, forty-three rental units, forty-two senior paint projects and nine emergency grants administered by the City. The Redevelopment Agency completed 205 minor repair grants and the City's SMART Program completed noise abatement activities on seventy-seven homes. The goals for the City's major rehabilitation program was less than projected. The total number of rehabilitated units exceeded the Annual Action Plan projection of 250 units.
- **New Housing Construction:** A total of 92 affordable housing units was constructed during the reporting period, making it the best production year in at least ten years. Using the City's Community Housing Development Organization (CHDO) funds, Neighborhood Opportunities for Affordable Housing (NOAH) completed six, three- and four-bedroom, single-family houses. The Housing Assistance Corporation (HAC) completed construction of 48 three-bedroom rental units. HAC's forty-eight units will be available to lower income families for fifty-five years, as it includes tax credits as part of the financing. An additional four units were completed in Crossroads. In addition to the

CHDO funds, City HOME funds were used to construct thirty-two single family units in west Fresno. The developer was the National Farm Workers Service Center (NFWSC). This project assisted residents displaced by an Environmental Protection Agency (EPA) action to clean up the former Purity Oil site and the surrounding area. The RDA completed two units through a grant to CURE. The 92 units exceeded the goal of 50 units in the Annual Action Plan.

- **Homeownership Programs:** The City assisted 287 families achieve homeownership during the program year through the Downpayment Assistance Program (DAP). The City also assisted 48 families in purchasing their own homes through the Lower Income Homebuyer Program (LIHP). Both DAPs and LIHPs are well below the annual projections of 500 families. Both programs have been impacted by a substantial increase in housing prices in the past two years. For many years, Fresno had been known for its affordable living while other areas in the state experienced increases in housing costs. The City has reduced its goals for Program Year 2002 to reflect the market. The City has arranged for technical assistance with ICF to revamp the DAP and LIHP Programs to align with the current, local market. The DAP Program continued to primarily benefit minority households with more than 90% minority customers served during the program year. This high minority usage of the program was one of the reasons that the City's program was awarded a HUD Best Practice's Award in 1999.
- **Self Help Housing:** The City has a two-year agreement with Self Help Enterprises to construct twenty-one single family houses in southeast Fresno. Construction of the infrastructure is underway in FY02. This project allowed the City to commit all of its CHDO funds.
- **Large Families:** One of the goals of the Consolidated Plan was to address the needs of large families. Even though the number of DAPs and LIHPs were down, the City assisted 187 large families through the DAP, LIHP and other new construction programs. This is up from 138 families in the prior year.
- **Habitat for Humanity:** HUD has expressed concern to the City regarding the 89-lot subdivision known as Crossroads which utilized CHDO funds for infrastructure improvements. Habitat for Humanity, the project developer, is behind schedule in constructing the houses. During the program year, HUD provided technical assistance to Habitat for Humanity to remedy their lack of progress. The City is reviewing its options for the project since Habitat for Humanity is now in default on its commitment to the City.
- **Tax Credits:** The City was instrumental in supporting two tax credit projects involving 262 units during the program year, which is one less than projected in the Annual Action Plan and is market-driven. But the State approved five tax credit projects in the prior year which are in various stages of completion for a total of 645 units. In the last three years, the City has taken a proactive position in assisting the State in their analysis and in creating community revitalization areas. These actions have reportedly made a difference in

project approval in this very competitive process.

- **Support of Grant Applications:** The City has actively supported local agencies and nonprofit organizations applying for federal grant funds. During the 2001 Program Year, the City supported Housing Authority efforts in obtaining HUD grant funding for its programs. The City supported local homeless providers in applying for HUD's Supportive Housing Program funds. The City also supported fair housing groups in obtaining HUD funds and Fresno City College in obtaining special assistance for minority students.
- **Mobilehome Parks:** For many years, residents in some mobilehome parks have expressed concern that the park owners have allowed their parks to deteriorate. In the prior year, the City worked with a nonprofit organization, Caritas, to acquire two parks in addressing this need. During the 2001 Program Year, the City worked with Caritas regarding the acquisition of two or three other parks.
- **Mobilehome Ordinance:** The City has had a rent control ordinance in place since 1988 to protect low income persons who own their units and are often subject to unfair space rent increases. During the 2001 Program Year, the City worked with various members of the mobilehome community to make extensive modifications to the Ordinance, clarifying and strengthening its language. The revisions will be presented to the City Council in 2002-2003.
- **Lead Based Paint:** The federal government has had major public health concerns about lead-based paint and has ordered cities and counties to remove lead-based paint as part of its housing rehabilitation program. The City was one of only a few cities in the state that met the September 15, 2000, deadline for complying with federal Lead-Based Paint regulations. During the program year, the City, working closely with the Housing Authority, submitted a \$2.5 million HUD grant application to test for lead-based paint as part of its rehabilitation efforts. Application is pending.
- **Crime Prevention:** After a reduction in the crime rate by 40% overall and in some categories, by 70%, the City's overall crime rate has increased for the last two years. This is following a nationwide trend. Last year the increase was 5.4% which was less than the 12.7% increase in 2000, but the increase was across the board in all categories of crime. The crime rate is still 26.2% below the 1995 figures. The Police Department cites an increase in the number of parolees as the primary reason for the increase. Last year there was a 10% increase in the number of parolees in the City. To address this concern, the City has made adjustments in their program and introduced Crime Suppression Teams in lower income neighborhoods.
- **Code Enforcement:** The City addressed more than 12,000 code violations during the year, including nearly 1,400 housing code, 8,400 public nuisance and zoning code, 250 commercial sign code and 2,600 weed abatement code violations.
- **Street Improvements:** Nearly every low income neighborhood has received public works infrastructure improvements in the past five years. The following is a list of some of the accomplishments of projects completed or underway during the fiscal year: 28 miles of resurfaced streets, 27,500 linear feet of new or reconstructed curbs and/or gutters, 185,000

linear feet of new sidewalks, 22,000 square feet of driveway approaches

and 7,500 square feet of wheel chair ramps. An additional 1,000 street lights were relamped to improve energy efficiency and security for neighborhoods.

- **Parks:** The City made children's playground equipment in eighteen City parks more accessible to persons with disabilities. The City made other improvements in seven parks to improve accessibility to persons with disabilities. These improvements included sidewalks, curb cuts, designated parking stalls, and accessible walkways to park activity areas such as sports courts, picnic tables, barbecues, drinking fountains, telephones, restrooms and building entrances.
- **ADA Improvements - Nonprofits:** The City provided funds to the Arte Americas Museum to upgrade their elevator, providing greater accessibility to persons with disabilities.
- **Senior Center:** Using HUD Section 108 loan guarantee funds tied to the CDBG program, the City completed the first construction phase for the City's first senior center. Acquisition and design work phases were completed in the prior year and the CDBG-funded portion of construction was completed in FY02.
- **Continuum of Care Collaborative:** The City continues to support the efforts of the Continuum of Care Collaborative (a group of homeless service providers) in their effort to access Supportive Housing Program funds to address the needs of homeless persons. By working together, local agencies were able to obtain more than \$4 million from HUD in Supportive Housing Program and Shelter Plus Care funds.
- **Matching Funds:** The City has met its HUD matching requirements for the HOME and ESG programs.
- **Staff training:** The City staff participated in a number of training sessions to remain current on federal program requirements. The subject of these workshops included empowerment zones, managing the HOME Program, program financing, lead-based paint, fair housing and environmental assessments.
- **Citizen Participation Plan:** The City approved a major revision to its Citizen Participation Plan and included its first relocation plan. The Plan standardized processes and now provides its citizens a greater understanding on how they can be involved in developing the Annual Action Plan.
- **Drawdown Rates:** Nationwide cities and counties have had a difficult time meeting HUD's requirements on drawing down federal funds. This is not the case with the City. The City continues to have an excellent track record in timely funding drawdowns and project completions.
- **Federal Requirements:** CDBG funds were used to primarily address the needs of lower income persons. All projects undertaken were eligible and each met the national objectives of their respective programs. In the program year over 99% of the CDBG funds met the national objective of benefitting lower income persons. Administrative costs for the CDBG program were at 7%; well below the HUD limit of twenty percent. HOME administrative costs were at ten percent and ESG at five percent.

In summary, the City, along with its many community partners, has made significant progress in meeting goals set forth in its 2000-2004 Consolidated Plan. This does not negate the fact that there are still unmet needs that require attention. With a continued four-year focus on the ten priorities as noted in the Consolidated Plan, the City anticipates similar progress toward meeting the needs of low- and moderate-income persons, which include minorities, persons with disabilities, the homeless, large families, senior citizens, persons living in substandard housing and persons paying rent that exceeds 50% of their monthly income.

Public Review and Comment

Written Comments

Comments on the CAPER may be made to the City by two methods:

1. Mail or hand deliver to:

City of Fresno
Department of Housing, Economic
and Community Development
ATTN: Dean Huseby
2600 Fresno Street, Room 3076
Fresno, California 93721-3605
2. Send comments by electronic mail to
dean.huseby@ci.fresno.ca.us

All comments must be received no later than the close of business on October 9, 2002, at 5:00 p.m.

At the end of the 15-day public review, written comments will be reviewed by the Director of the Department of Housing, Economic and Community Development and a copy of any written comments will be included in this section of the CAPER when it is submitted to HUD.

Results of the Comment Period

The City of Fresno received a public comment from the Law Offices of Central California Legal Services, Inc. The letter and the response from City staff can be found on page 124.

Changes to Text During 15-Day Review Period

Changes to the Consolidated Annual Performance and Evaluation Report can be found in the table on page 98.

Comments Received During the 2001 Program Year

Comments were received during the Public Hearing of the 2002-2003 Annual Action Plan. Community action agencies stated concerns regarding the City's use of CDBG funds on police services and infrastructure projects.

List of Documents Available to the Public

Documents available to the public are: Consolidated Plan; 2001-2002 Consolidated Annual Performance and Evaluation Report; 2002-2003 Annual Action Plan; Citizen Participation Plan; Analysis of Impediments. Additionally, the CAPER has been placed on the City's website at

www.ci.fresno.ca.us; at the Central Library and at the following local library branches: Cedar-Clinton, Fig Garden, Gillis, Ivy Center, Mosqueda, Pinedale, Politi, and Sunnyside.

Revisions were made to the CAPER during the fifteen-day review period. Each page that underwent a change is marked as such in the bottom left corner. The following table details the revisions.

Changes to Text		
Section of CAPER	Page	Change
Table of Contents	i-ii	Update the table to include revisions from the public comment period.
General Housing Plan	26	Deletion of Code Enforcement Slum/Blight eligibility. Addition of Code Enforcement eligibility as a Low/Mod Area Benefit.
General Housing Plan	26	Addition to narrative explaining Code Enforcement, Public Works and Rehabilitation programs working together to arrest the decline of CDBG eligible areas.
General Housing Plan	30	Addition to the First-Time Home Buyer narrative delineating the number of participants going through a home buyer training program.
	31	Narrative flowed to page 31 as a result of changes on page 30.
General Housing Plan	33	
City of Fresno Self Evaluation	91	Addition of narrative stating the City met its total rehabilitation goal, as identified in the Annual Action Plan, but did not meet its major rehabilitation projection.
Public Review and Comment	96	Addition of information received at the conclusion of the public comment period.
Public Review and Comment	97	Addition to the Change sheet detailing the revisions made to the CAPER at the conclusion of the public comment period
Public Review and Comment	99	Addition of Goals and Accomplishments Chart
Public Review and Comment	100	Incorporation of the Proof of Publication into the Amendments to Annual Action Plan.

*Consolidated Annual Performance and Evaluation Report
Program Year 2001*

Public Review and Comment	101	Pagination change for Public Notice
Changes to Text		
Section of CAPER	Page	Change
Maps	120-123	Addition of CDBG and ethnic concentration group maps.
Public Comments and Responses	124	Addition of comment letter and staff response

Summary of Program Year Accomplishments

Program	Annual Action Plan	CAPER	Comments
Homebuyer Certificate Program	400	549	Lenders (DAP, LIHP)* and Consumer Credit pp. 30,75
Downpayment Assistance Program (DAP)	440	287	Have requested HUD technical assistance to make program adjustments to reflect market changes.
Lower Income Homebuyers Program (LIHP)	60	48	Same as DAP
Redevelopment Agency Programs (RDA)	117 minor rehab, 12 major, 4 new const.	205 minor repair	Shifted resources to minor repair program.
SMART Program (FAR)	8	77	Increase due to federal grant
New Construction	50	113	Completed: HAC (48)/Noah (8)/ Casa San Miguel (32)/Crossroads (4) Funded: Self Help (21)
Rehabilitation	76	57	Owner (17), Rental (42)
Senior Paints	30	42	Increased budget to address demand
Emergency Grants	15	9	Less than expected demand
Rehabilitation of Housing Authority Units	187	186	On target
Supportive Housing Programs	400-430	160	Goal overestimate from nonprofit. Received over \$4 million as requested.

Amendments to Annual Action Plan
(No comments received.)

FRESNO CITY HOUSING

ATTN: LYNN BOWNESS

2600 FRESNO ST - RM 3076

PROOF OF PUBLICATION

The undersigned states:

**COUNTY OF FRESNO
STATE OF CALIFORNIA
EXHIBIT A.**

McClatchy Newspapers in and on all dates herein stated was a corporation, and the owner and publisher of The Fresno Bee. The Fresno Bee is a daily newspaper of general circulation now published, and on all-the-dates herein stated was published in the City of Fresno, County of Fresno, and has been adjudged a newspaper of general circulation by the Superior Court of the County of Fresno, State of California, under the date of November 22, 1994, Action No. 520058-9. The undersigned is and on all dates herein mentioned was a citizen of the United States, over the age of twenty-one years, and is the principal clerk of the printer and publisher of said newspaper; and that the notice, a copy of which is hereto annexed, marked Exhibit A, hereby made a part hereof, was published in The Fresno Bee in each issue thereof (in type not smaller than nonpareil), on the following dates.

Beginning on the day of 19
to the day of 19 1
 inclusive.

PUBLIC NOTICE
221816
Amendment
City of Fresno 2001-2002 Annual Action Plan

The City of Fresno 2001-2002 Annual Action Plan was adopted by the Fresno City Council on June 19, 2001. The City will be amending the Annual Action Plan to include specifically the projects to be funded as part of the Council District Infrastructure program (SCDD/004). The appropriations were included in the budget and Annual Action Plan but the specific projects were to be described at a later date. The program is funded with Community Development Block Grant (CDBG) funds from the U.S. Department of Housing & Urban Development (HUD). A partial listing of the projects to be funded from this program include the following:

District 1	
Street resurfacing in Shields, Concord, Van Ness and Polk areas	\$83,300
Reimbursement of Bureau of Streets, remainder subject to funding availability	
Reconstruction of Salazar, Church and Center	25,000
Various locations: Broadway, Colton, West, Herndon Canal and Fruit	
District 3	
HWY 99/Highway 99 Street Resurfacing (for up to project)	130,000
Ind. Placard, Placard, Lagoon, Highway	
Street Resurfacing Sunny Side (Hwy 99/47, Highway, Center)	10,000
California or Tehran Curb Construction (Block 1st project)	8,000
District 4	
Weatherization Program	25,000
District 5	
Water Closures in SE Fresno	2,200
518 S. 1st St Curb & Gutter	2,500
Street widening (Various locations in SE Fresno)	67,165
redundant (Sutter/Hawthorne)	22,000

In addition, the City proposes to fund the following projects:

Granny Park Section 10.14	\$50,000
---------------------------	----------

Funding for Granny Park is coming from cost savings for another completed park project.

Correction to a typographical error in the Annual Action Plan: Instead of a neighborhood street improvement project ordered by Union/Belmont/First St, the boundaries should have read Union/Belmont/First St. Funding for this project remains the same.

Citizens who wish to comment on the proposed changes may do so by calling Dean Huebner at (559) 498-2637 or by writing to Dean Huebner, Department of Housing and Neighborhood Revitalization, 2600 Fresno Street, Room 3076, Fresno, CA 93721, prior to January 9, 2002.

(PUB: December 11, 2001)

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated DECEMBER 11, 2001
Cathy Aguilera

C O V E R



FAX

S H E E T

To: The Fresno Bee
Fax #: (559) 495-6825
Subject: Notice of Public Review and Comment Period
Date: September 17, 2002
Pages: 1, including this cover sheet.

COMMENTS: Please draft the following Notice of Public Review and Comment Period and FAX back the proof for approval. Plan to publish this on September 24, 2002.

CITY OF FRESNO
CONSOLIDATED ANNUAL PERFORMANCE AND
EVALUATION REPORT FOR THE 2001 PROGRAM YEAR

NOTICE OF PUBLIC REVIEW AND COMMENT PERIOD

In accordance with federal regulations, the City of Fresno has prepared the Consolidated Annual Performance and Evaluation Report (CAPER) for the 2001 Program Year. The CAPER is in a narrative format and describes the City's accomplishments using federal Community Development Block Grant (CDBG), Home Investment Partnerships (HOME) Program and Emergency Shelter Grant Program funds.

The CAPER will be available for review on September 25, 2002, at City Hall, 2600 Fresno Street, in the City Clerk's Office, the Department of Housing, Economic and Community Development, and the Downtown branch of the Public Library. It is also available to review on the Internet at www.ci.fresno.ca.us, click on "City Services", then "City Departments", then "Housing/Economic/Community Dev".

Written comments on the CAPER may be mailed to: City of Fresno, Department of Housing, Economic and Community Development, 2600 Fresno Street, Room 3076, Fresno, CA 93721-3605, Attn: Dean Huseby, or e-mail to dean.huseby@fresno.gov no later than October 9, 2002, at 5 p.m. Information may be obtained by calling Dean Huseby at 559-621-8507.

From the desk of...

Dean Huseby
Department of Housing and Neighborhood Revitalization
2600 Fresno Street, Room 3076
Fresno, CA 93721-3605

EXHIBITS

HUD FORM - SUMMARY OF ACCOMPLISHMENTS

SUMMARY OF HOUSING ACCOMPLISHMENTS

Name of Grantee: Fresno

State: CA

Program Year: 2001

Priority Need Category	Actual Units		
Renters	Rehabilitation	DAP	LIHP
0 - 30% of MFI	16		
31 - 50% of MFI	20		
51 - 80% of MFI	3		
Vacant	4		
Total	43		
Owners			
0 - 30% of MFI and 31 -50% of MFI	46	40	13
51 - 80% of MFI	20	247	35
Total	66	287	48
Homeless*	See Figure 19 on page 73		
Individuals			
Families			
Total			
Non-Homeless Special Needs			
Total			
Total Housing			
Total Housing			

*Note: Homeless families and individuals assisted with transitional and permanent housing

Total Housing	Rehab-Owner	Rehab-Rental	DAP	LIHP**
Hispanic	26	13	213	43
Non-Hispanic				
White	31	15	23	1
Black	8	11	2	2
Native American	1	0	3	1
Asian/Pacific	0	0	46	1
Vacant	0	4	0	0
Total Racial/Ethnic	66	43	287	48

**Note: All LIHP clients received DAP loans.

SUMMARY OF COMMUNITY DEVELOPMENT ACCOMPLISHMENTS FOR PUBLIC FACILITIES AND IMPROVEMENTS

Name of Grantee: Fresno

State: CA Program Year 2001

Priority Need Category	Actual Number of Projects Assisted	Actual Number of Projects Completed
Public Facilities		
Senior Centers		
Handicapped Centers		
Homeless Centers		
Youth Centers		
Neighborhood Facilities	4	2
Child Care Centers		
Parks and/or Recreation Facilities	12	3
Health Facilities		
Parking Facilities		
Abused/Neglect Facilities		
AIDS Facilities		
Other Public Facilities		
Public Improvements		
Solid Waste Improvements		
Flood Drain Improvements		
Street Improvements	29	13
Sidewalk Improvements		
Sewer Improvements		
Asbestos Removal		
Other Infrastructure	1	1
Other		
Other		

SUMMARY OF COMMUNITY DEVELOPMENT ACCOMPLISHMENTS FOR PUBLIC SERVICES

Name of Grantee: Fresno State: CA Program Year 2001

Priority Need Category	Actual Number of Persons Served
Public Services	Note on page 77 a list of non-CDBG funded public services, not shown below.
Senior Services	See senior painting program under housing rehabilitation
Handicapped Services	Included in streets, parks, and housing projects.
Youth Services	
Transportation Services	
Substance Abuse Services	
Employment Training	
Crime Awareness	See page 60
Fair Housing Counseling	1
Tenant/Landlord Counseling	1
Child Care Services	
Health Services	
Other Public Services	1
Accessibility Needs	
Other Community Development	
Energy Efficiency Improvements	1
Lead Based Paint/Hazards	Included in housing rehabilitations
Code Enforcement	1,372 Housing 6,296 Public Nuisance and Zoning 2,572 Weed abatement and 249 sign cases
Other	

SUMMARY OF COMMUNITY DEVELOPMENT ACCOMPLISHMENTS FOR ECONOMIC DEVELOPMENT

Name of Grantee: Fresno State: CA Program Year 2001

Priority Need Category	Actual Number of Businesses Assisted	Actual Number of Persons Assisted with Jobs	Actual Number of LI Persons Assisted with Jobs	Actual Number of MI Persons Assisted with Jobs
Economic Development				
Commercial-Industrial Rehabilitation	1*			
Commercial-Industrial Infrastructure				
Other Commercial-Industrial Improvements				
Micro-Enterprises				
Other Businesses				
Technical Assistance				
Other Economic Development				

*In low- and moderate-income areas.

Financial Summary

Grantee Performance Report

(Copies of IDIS Project Description Forms C04PR03 Available
in the Department of Housing, Economic and Community
Development)

Project Summary

Financial Report

IDIS 2001 - CDBG

National Objective Code	Project Name	Fund Type	Cons. Plan Adopted Budget	Prior Yr. Carryover Amount	Total Funds Committed	Total Funds Drawn Down	Fund Balance	Percent Drawn Down
Admin	Admin	CDBG	621,800.00	-	450,875.39	450,875.39	170,924.61	72.51%
LMA	Section 108 Loan Repay	CDBG	1,010,000.00	-	856,661.05	856,661.05	153,338.95	84.82%
LMA	Code Enforcement	CDBG	3,194,600.00	-	2,428,598.01	2,428,598.01	766,001.99	76.02%
LMH	Housing Rehab-Program Delivery	CDBG	173,300.00	-	26,491.73	26,491.73	146,808.27	15.29%
	Housing Rehab-Emergency							
LMH	Grant/Senior Paint	CDBG	100,000.00	-	86,800.00	86,800.00	13,200.00	86.80%
LMH	Home Ownership & Develop	CDBG	321,100.00	-	229,863.52	229,863.52	91,236.48	71.59%
Admin	Fair Housing Council	CDBG	50,000.00	-	28,724.46	28,724.46	21,275.54	57.45%
LMA	Care Fresno	CDBG	60,000.00	-	45,000.00	45,000.00	15,000.00	75.00%
LMA	Consumer Credit Counseling	CDBG	25,000.00	-	18,750.00	18,750.00	6,250.00	75.00%
LMA	Problem Oriented Policing	CDBG	1,295,944.00	-	1,209,323.85	1,209,323.85	86,620.15	93.32%
LMA	Develop Dept-Inner City Fee	CDBG	150,000.00	-	150,000.00	150,000.00	-	100.00%
LMA	Park Improvements	CDBG	761,500.00	-	120,339.11	120,339.11	641,160.89	15.80%
LMA	PW-Street Improvements	CDBG	4,830,800.00	-	3,280,603.48	3,280,603.48	1,550,196.52	67.91%
LMA	PW-Lease of Storm Drain	CDBG	3,300.00	-	3,300.00	3,300.00	-	100.00%
LMA	HNR-Code Enforcement	CDBG	-	14,360.00	1,680.00	1,680.00	12,680.00	11.70%
Admin	Fair Housing Council	CDBG	-	16,404.89	16,404.89	16,404.89	-	100.00%
LMH	HNR-Housing Rehab Prog	CDBG	-	3,000.00	-	-	3,000.00	0.00%
LMH	HNR-Emergency Grant	CDBG	-	4,000.00	4,000.00	4,000.00	-	100.00%
LMA	Park Impr Arch Barrier(PC00008)	CDBG	-	71,486.69	49,200.05	49,200.05	22,286.64	68.82%
LMA	Park Playground Impr(PC00009)	CDBG	-	148,410.04	114,888.77	114,888.77	33,521.27	77.41%
LMA	Park Improvements(PC00002)	CDBG	-	220,693.13	76,264.71	76,264.71	144,428.42	34.56%
LMA	Park Improvements(PC00007)	CDBG	-	56,692.54	-	-	56,692.54	0.00%
LMA	Park Bldg & Facilities(PC00006)	CDBG	-	242,300.00	-	-	242,300.00	0.00%
LMA	PW-Street Improvements	CDBG	-	976,070.47	62,887.53	62,887.53	913,182.94	6.44%
LMA	PW-Streetlight Relamping	CDBG	-	186,055.38	139,500.00	139,500.00	46,555.38	74.98%
LMA	PW-NH Council Districts 1,3,5,7	CDBG	-	84,000.00	35,388.00	35,388.00	48,612.00	42.13%
LMA	Arte Americas Museum Rehab	CDBG	-	29,082.88	29,082.88	29,082.88	-	100.00%
LMA	Chinatown Community/Serv Cntr	CDBG	-	20,000.00	20,000.00	-	20,000.00	0.00%
LMA	Tower District Lighting	CDBG	-	12,792.00	12,700.00	12,700.00	92.00	99.28%
LMA	Ivy/Carver Center	CDBG	-	69,656.60	-	-	69,656.60	0.00%
SBA	Commercial Rehab	CDBG	-	2,104.85	2,104.85	2,104.85	-	100.00%
LMA	Ivy/Carver Center	CDBG	-	42,397.28	-	-	42,397.28	0.00%
							5,317,418.47	
TOTAL			\$12,597,344.00	\$2,199,506.75	\$9,499,432.28	\$ 9,479,432.28	\$5,317,418.47	

IDIS 2001 - HOME

Matrix Code #	Project Name	Fund Type	Cons. Plan Adopted Budget	Prior Yr. Carryover Amount	Total Funds Committed	Total Funds Drawn Down	Fund Balance	Percent Drawn Down
21H	HOME-Admin	HOME	390,800.00	-	390,800.00	266,473.60	124,326.40	68.19%
13	HOME-DAP/LIHP	HOME	2,050,000.00	-	1,701,463.46	1,261,602.90	788,397.10	61.54%
12	HOME-CHDO	CHDO	111,650.00	-	-	-	111,650.00	0.00%
12	HOME-CHDO Self-Help Ent	CHDO	867,500.00	-	867,500.00	167,210.74	700,289.26	19.28%
14A	HOME-Owner Occupied Rehab	HOME	1,205,000.00	-	346,653.00	256,248.00	948,752.00	21.27%
14B	HOME-Renter Occupied Rehab	HOME	400,000.00	-	128,700.00	128,700.00	271,300.00	32.18%
05R	HOME-Housing Develop	HOME	500,000.00	-	-	-	500,000.00	0.00%
05R	HOME-United Farm Workers	HOME	250,000.00	-	225,000.00	225,000.00	25,000.00	90.00%
14A	HOME-Housing Rehab	HOME	-	271,617.00	271,617.00	263,471.20	8,145.80	97.00%
13	HOME-DAP	HOME	-	254,755.70	254,755.70	254,755.70	-	100.00%
13	HOME-LIHP & LIHP/DAP	HOME	-	356,541.00	356,541.00	356,541.00	-	100.00%
21H	HOME-Admin	HOME	-	148,040.19	148,040.19	148,040.19	-	100.00%
14B	HOME-CHDO	CHDO	-	-	-	-	-	#DIV/0!
0	NOAH-CHDO	CHDO	-	602,000.00	602,000.00	453,426.44	148,573.56	75.32%
0	HAC-CHDO	CHDO	-	918,900.00	918,900.00	907,900.00	11,000.00	98.80%
0	NOAH-Home Construction	HOME	-	24,270.21	24,270.21	8,499.07	15,771.14	35.02%
0	Converted HOME Act	CHDO	-	100.00	100.00	-	100.00	0.00%
			HOME	4,795,800.00	1,055,224.10	3,847,840.56	3,169,331.66	2,681,692.44
			CHDO	979,150.00	1,521,000.00	2,388,500.00	1,528,537.18	971,612.82
TOTAL			\$5,774,950.00	\$ 2,576,224.10	\$ 6,236,340.56	\$4,697,868.84	\$ 3,653,305.26	

IDIS 2001 - ESG

Prog. Year	Proj. ID#	IDIS Act. #	Matrix Code #	Project Name	Fund Type	Cons. Plan Adopted Budget	Prior Yr. Carryover Amount	Total Funds Committed	Total Funds Drawn Down	Fund Balance	Percent Drawn Down
2001	14	4406	21A	ESG-Admin	ESG	15,488.00	-	15,488.00	5,901.83	9,586.17	38.11%
2001	15	4413	03T	ESG-EOC Trans Liv Cntr	ESG	15,105.00	-	15,105.00	11,328.75	3,776.25	75.00%
2001	16	4412	03T	ESG-EOC Sanctuary	ESG	55,911.00	-	55,911.00	50,127.66	5,783.34	89.66%
2001	17	4411	03T	ESG-Marjaree Mason Center	ESG	82,479.00	-	82,479.00	55,086.67	27,392.33	66.79%
2001	18	4410	03T	ESG-Potter's Wheel	ESG	29,009.00	-	29,009.00	6,334.08	22,674.92	21.83%
2001	19	0	03T	ESG-The McKinley	ESG	-	-	-	-	-	#DIV/0!
2001	20	4409	03T	ESG-Spirit of Woman	ESG	26,969.00	-	26,969.00	18,748.00	8,221.00	69.52%
2001	21	4408	03T	ESG-Turning Point	ESG	17,913.00	-	17,913.00	4,151.00	13,762.00	23.17%
2001	28	4407	03T	ESG-Poverello House	ESG	82,379.00	-	82,379.00	57,267.75	25,111.25	69.52%
2000	5	4006	21A	ESG Admin	ESG	-	4,823.07	4,823.07	4,823.07	-	100.00%
2000	6	0	03T	ESG Arbor House/Turning Point ESG-Economic Opportunities	ESG	-	-	-	-	-	#DIV/0!
2000	35	4000	03T	Comm	ESG	-	10,522.00	10,522.00	10,522.00	-	100.00%
2000	36	4001	03T	ESG-Marjaree Mason Center	ESG	-	16,236.50	16,236.50	16,236.50	-	100.00%
2000	37	4002	03T	ESG-Potter's Wheel/Maroa Home	ESG	-	22,522.22	22,522.22	22,522.22	-	100.00%
2000	38	4003	03T	ESG-Poverello House	ESG	-	22,844.24	22,844.24	22,844.24	-	100.00%
2000	39	4004	03T	ESG-Spirit of Woman	ESG	-	14,009.24	14,009.24	14,009.24	-	100.00%
2000	40	4005	03T	ESG-Turning Point of Cent CA	ESG	-	4,221.75	-	-	4,221.75	0.00%
TOTAL						\$325,253.00	\$ 95,179.02	\$416,210.27	\$ 299,903.01	\$ 120,529.01	

HOME MATCH REPORT

**(Available in the Department of Housing, Economic and Community Development.
Information in HOME Match Report is in the text in narrative form.)**

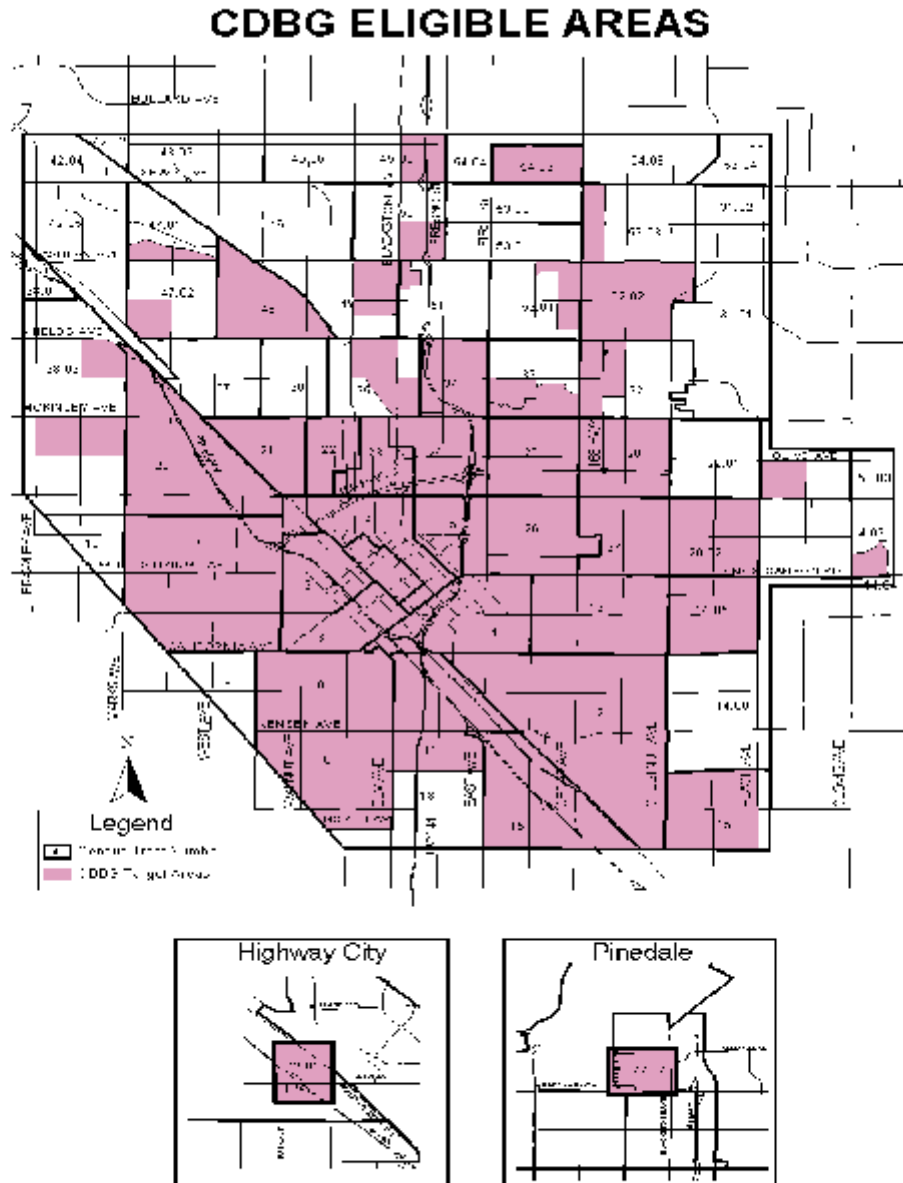
MAPS

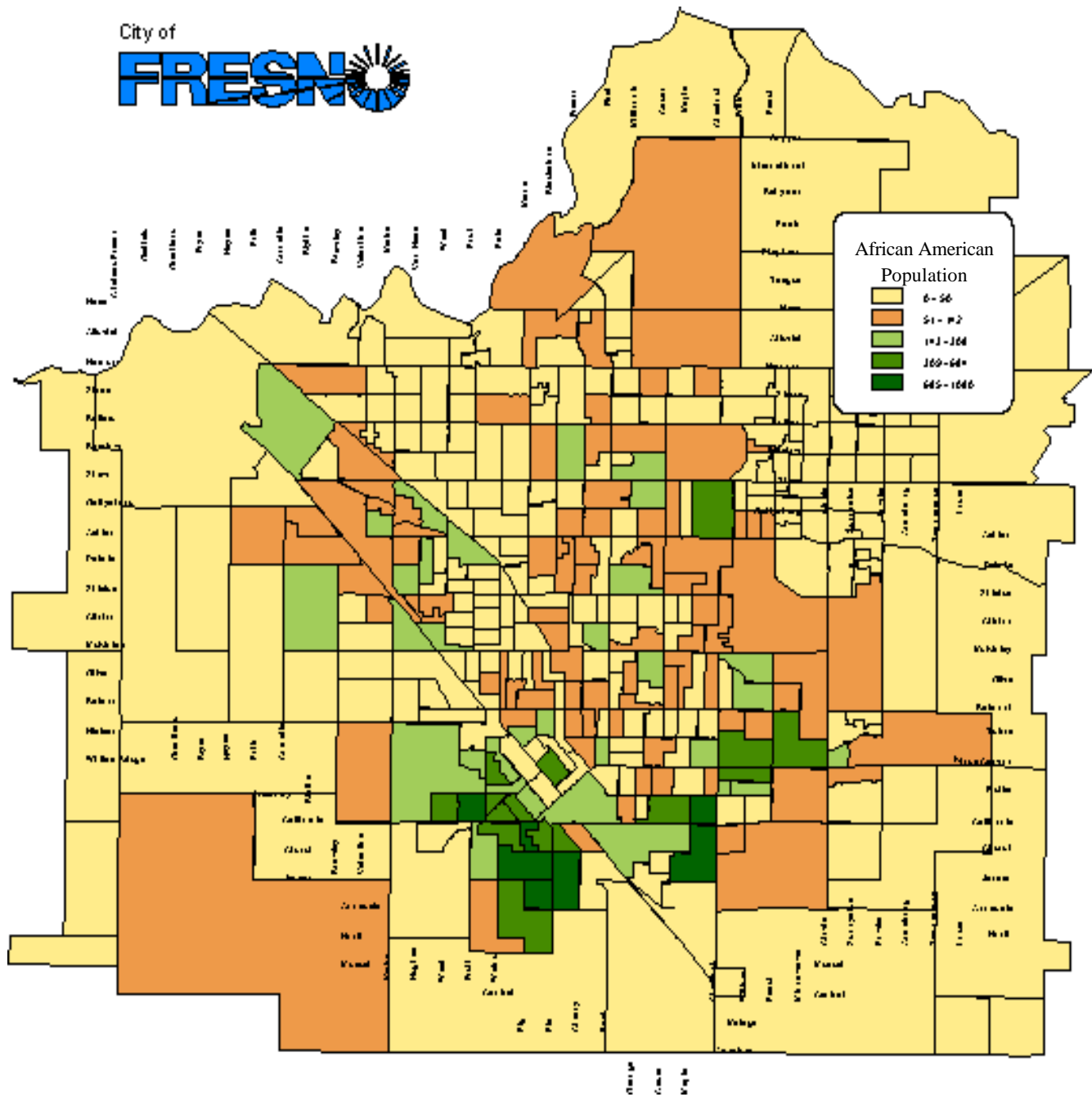
CDBG Map

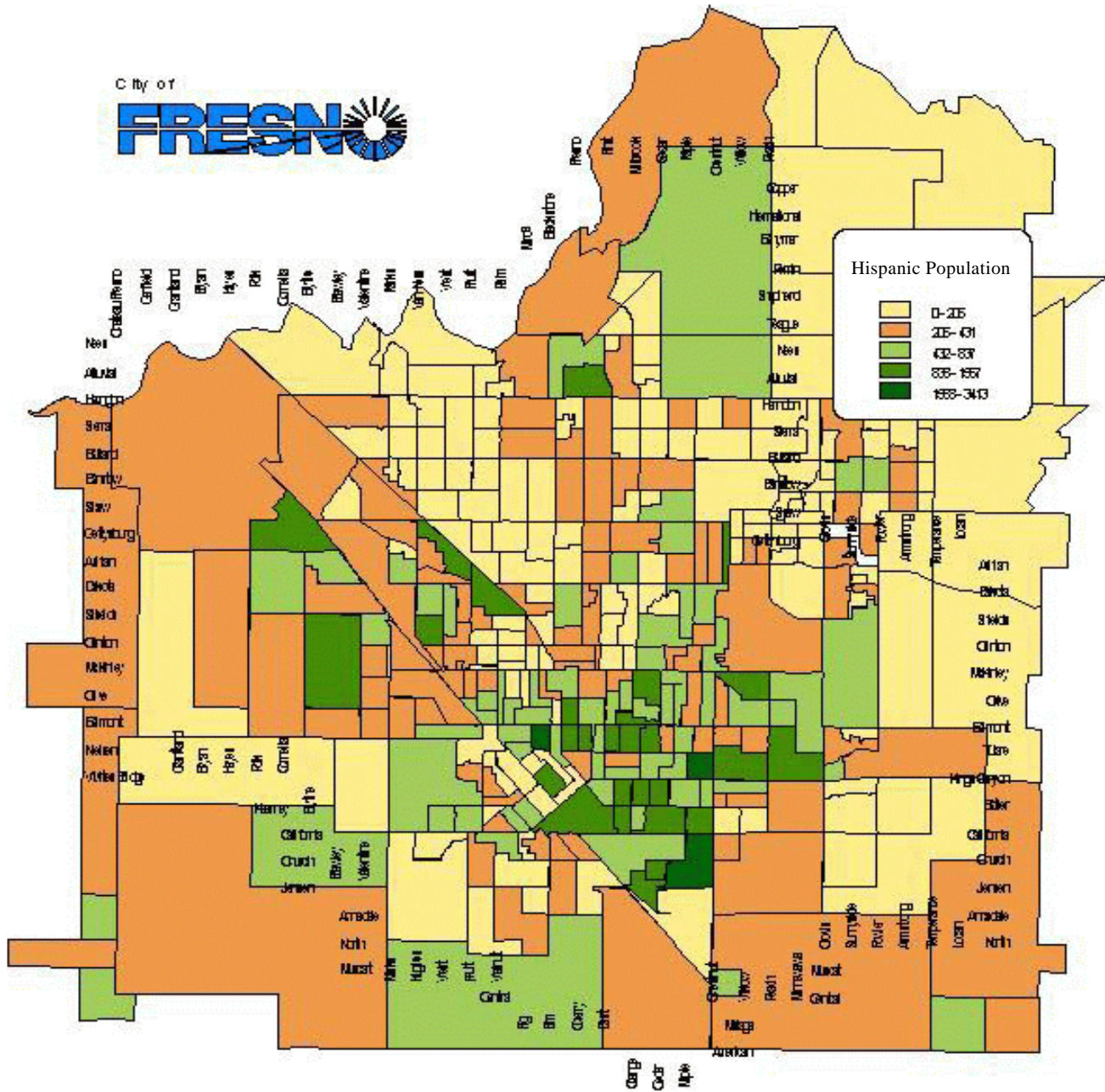
Ethnic Concentration of Asian Americans

Ethnic Concentration of African Americans

Ethnic Concentration of Hispanics







Public Comments and Staff Responses

(Public Comment Letters and Responses have been scanned into the CAPER. Original letters can be found in th Department of Housing and Community Development.)

Law Offices of

CENTRAL CALIFORNIA LEGAL SERVICES, INC.

2014 Tulare Street, Suite 600, Fresno, California 93721

Telephone: (559) 570-1200 -.- Facsimile: (559) 441-7215

Toll-Free: (800) 675-8001-* - www.centraicallegal.org

October 9, 2002

City of Fresno

Department of Housing, Economic and Community Development

ATTN. Dean Huseby

2600 Fresno Street, Room 3076

Fresno, California 93721-3605

Re: CAPER Public Comments

Dear Mr. Huseby:

After reviewing the Comprehensive Annual Performance Evaluation Report (CAPER), we have some questions, concerns, and comments regarding the CAPER. Our questions, concerns, and comments for specific programs are listed in the order that the programs appear in the CAPER.

The Annual Action Plan for the Fiscal Year 2002 states many goals, but most of the stated goals are qualitative and not quantitative. The following quantitative goals were gleaned from the Annual Action Plan with the program year results listed in bold type:

GENERAL HOUSING PLAN

Action Plan I

Support 3 requests for tax credit projects. **2.**

Assist 400 families through a home buyer certificate program. ?

Action Plan 2

Assist 500 home buyers through the DAP and/or LIHP program. **287 DAP and 48 LIHP.**

RDA will assist in 7 minor rehabilitations, 12 major rehabilitations, 2 single family

homes, and 2 infill homes. **205 minor rehabilitations, 9, 9, 9.**

RDA to rehabilitate 8 homes in the Airport district with under the FAR. Program. ?

Provide funding for 50 new units and rehabilitation of 76 units. **21 and 44.**

30 senior paint projects and 15 emergency grants. **42 and 9.**

Rehabilitation of 187 Housing Authority units by the year 2006. ?



Action Plan 3

Action Plan 4

NON-HOUSING COMMUNITY DEVELOPMENT PLAN

Action Plan I

Action Plan 2

Reduce the crime rate by 5%. **Increase in the City-wide crime rate of 5.4%,**

ANTI-POVERTY PLAN

Action Plan I

Assist 400-450 families through the Supportive Housing Program. ?,

Action Plan 2

Action Plan 3

Action Plan 4

The CAPER should clearly state the program year results for each Annual Action Plan. We have listed, from what we could determine from the CAPER, above the results of the past year's quantitative annual action plan goals.. For program year results that were unknown, a question mark was listed. What were the program year results for each of the quantitative goals as listed above?

GENERAL HOUSING PLAN

Community Housing Development Orizationization.

Action Plan No. 1, although titled New Construction of Affordable Housing, does not state any substantive goals for the number of affordable housing units to be built or funded in the program year. Nor does the Draft Annual Action Plan for New Construction of Affordable Housing for **fiscal** year 2003 state any substantive goals.

The CAPER, Pages 91-92, states that the 92 units built and completed in the Program year "exceeded the goal of 50 units in the Annual Action Plan." As stated above, there are no substantive goals listed in Action Plan 1. However, Action Plan 2, Housing Rehabilitation and Acquisition Program Implementation Plan E, states that the "City shall provide funding for ... the new construction of 50 units and the rehabilitation of 76 units." Annual Action Plan, Fiscal Year 2002, Page 19.

Despite the stated goal for the year of providing funding for 50 new affordable housing units, only 21 units of affordable housing (Harvest Acres) were funded for the 2001 Program Year. Therefore, there was a shortage of 29 new affordable housing units being funded for this program year.

Action Plan 2, Implementation Plan E and Action Plan 1, Implementation Plan A, when added together should result in the funding of more than 50 units of affordable housing each year and the rehabilitation of more than 76 affordable housing units.

The Summary of New Construction Activities, CAPER Figure 3, Page IO, lists projects that have been funded the last eight years with a total of 207 affordable housing units to be constructed. However, of the projects listed in Figure 3, only 105 units of the 207 units have been built. And of the 105 units built, 90 units were completed this past program year.

Although 90 units of affordable housing were built and completed in the 2001 program year, only 2 units of affordable housing were built and completed during the 2000 Program year.

If the annual action plan called for the *construction*, and not the funding of 50 affordable housing units each year, the City would have met its Annual Action Plan goal this year, but the action plan calls for *the funding* to provide 50 affordable housing units.

Despite the 1994 investment of \$2,000,000.00 HOME/CHDO funds in the Crossroads Project, only 17 homes, out of 89 unit subdivision, have been completed in the last eight (8) years, with 4 of the homes being completed within the last year.

The CAPER, Page 92, states that the City is reviewing its options for the 89 unit subdivision Crossroads project, since Habitat has defaulted on its commitment to the City.

Habitat for Humanity's failure to build out the project in a timely fashion also places the City in jeopardy of failing to comply with various Redevelopment Agency's Housing Replacement Plans, as the replacement plans count the proposed 89 units as replacement housing.

The CAPER or next years' Annual Action Plan should state specific steps that the City will take to complete the 89 unit subdivision as soon as possible. It is important that the City find a way to complete the Crossroads project, not only to provide much needed affordable housing, but more importantly to meet its Redevelopment Replacement Housing Plans, as the Crossroads project's 89 units were counted on as replacement housing in several replacement housing plans.

Under Annual Action Plan 1, Implementation Plan C, the City is "to work with local lenders and Consumer Credit Counseling to provide training and certificate programs for 400 home buyers and tenants who want to become home buyers."

The CAPER fails to state whether the goal of 400 participants was met. Nor does the CAPER state the number of participants who were able to earn a certificate or the number of persons earning a certificate who purchased a home after successful completion of the program. What were the program's results?

HOUSING REHABILITATION PROGRAM

Code Enforcement Activities.

The funding of Code Enforcement is stated as meeting the national objective of CDBG funds for the prevention or elimination of slums and blight.

In order to meet this national objective, the areas of the funded code enforcement activities must meet the definition of slum, blighted, deteriorated or deteriorating areas under State or local law and throughout the area there must be a substantial number of deteriorated or deteriorating buildings or public improvements that are in a general state of deterioration. By HUD definitions 25% of the buildings in the area must be in a state of deterioration and public improvements throughout the area must be in a general state of deterioration and must clearly show signs of deterioration.

In addition, the City must keep documentation of the conditions which allowed the area to be designated as blighted and the CDBG-assisted activity must actually deal with one of the conditions which helped to cause the deterioration of the area.

The CAPER does not state which definition of blight that the CDBG areas in the City have met, so as to be properly considered as blighted areas. Nor does the CAPER refer to any City documentation that indicates that the CDBG areas are properly considered blighted.

For the 2001 Program Year CDBG funds made up 67.3%, or \$3,194,600.00, of the Code Enforcement Division's annual budget of \$4,904,200.00. According to the City Budget for the 2001 Program Year there was 59.23 employees in the Code Enforcement Division with employee salaries projected at a cost of \$2,859,700.00.

For the 2002 Program Year, CDBG funds total 71% or \$3,524,500.00 of the Code Enforcement Division's entire annual budget of \$4,728,100.00. Yet, the proposed City Budget calls for only 56.23 employees. Despite the Code Enforcement Division having three fewer employees than the previous year, the CDBG allocation for the upcoming year has increased by \$329,900.00.

The CAPER states that 72.8% of the work was conducted in CDBG areas but of the 24,564 code enforcement complaints processed by the Code Enforcement Department only 12,609 complaints were in CDBG areas. How was the 72.8% figure calculated?

Federal regulations, 24 C.F.R. 570.202, state that CDBG funds can be used to pay for costs incurred for code violations and enforcement of codes (e.g., salaries and related expenses of code enforcement inspectors and legal proceedings). However, the City Budget indicates that CDBG funds are being used to pay not only for the related expenses in CDBG areas, but for related expenses **outside** CDBG areas as well.

For example, in the program year 2001, CDBG funds were used to pay the total cost of Code Enforcement Division's expenditures as follows:

\$51,200 for charges for messenger, mail, copier service;
\$38,900 for fleet service depreciation;
\$34,800 for telephone services;
\$19,400 for variable finance charges;
\$17,200 for liability self-insurance;
\$13,500 for public relations and information.

The City Budget for program year 2001 also indicates a disproportionate amount of CDBG funds used to pay for various Code Enforcement Department expenditures in comparison to other City funds used to pay for the department's expenditures. The examples listed below show that CDBG funds were used to pay

\$117,200 for information systems service charges versus \$1,700.00 of other City funds;
\$89,000 for information systems equipment charges versus \$1,700.00 of other City funds;
\$61,800 for fleet services charges versus \$30,000 of other City funds;
\$18,000 for postage charges versus \$700.00 of other City funds;
\$8,600 for photographic supplies versus \$800.00 of other City funds;
\$1,600 for subscriptions and publications versus \$100.00 of other City funds;
\$75,400 for facilities management charges versus \$13,100.00 of other City funds.

For the 2001 Program Year, CDBG funds paid for 78% of the personnel services for the entire Code Enforcement Division and 41 % of the non-personnel services while the City's General Fund paid for less than 2% of the personnel services and 0% of the non-personnel services.

For the 2002 Program Year, CDBG Funds will account for 77% of the personnel costs and 58% percent of the non-personnel costs and the City's General Fund will again account for less than 2% of the personnel costs and 0% of the non-personnel costs.

In fact, for the next program year the City Budget states that \$145,300.00 in CDBG funds will be used to pay for the *entire Code Enforcement Division's rent for its offices at City Hall!*

The examples listed above indicate that CDBG funds are being substituted for the City's General Fund or other funds as the CDBG funds are being used to pay for the entire costs, or a disproportionate amount, of the Code Enforcement Division's salaries and costs.

A telling example is that CDBG funds, as well as other City funds, are used for fleet services charges. It is assumed these costs are related to the expenses of vehicles used by the Code Enforcement Department. Yet, only CDBG funds are used to pay **depreciation** costs related to the vehicles. This would mean that vehicles that are purchased with other City funds do not depreciate while only vehicles bought with CDBG funds depreciate.

Pages 219-223, Attachment A to this letter, of the Proposed 2003 City's Budget shows the various line item expenditures of the Code Enforcement Department.

While code enforcement is an eligible activity under CDBG regulations, it appears that the City is substituting CDBG funds for the City's General Fund and other available funds.

Instead of funding a specific code enforcement activity directed to resolve specific problems within a slum or blighted area or areas needing significant rehabilitation, the City has chosen to fund the entirety of code enforcement activities throughout the City with CDBG funds.

Despite, the devotion of a large amount of CDBG funds, the CAPER, Page 26, states that the City does not keep records as to how many housing code complaints, issued by CDBG-

funded inspectors, are resolved through the various City and private rehabilitation programs. If this is not tracked, how can the effectiveness of code enforcement, used in conjunction with the various public or private improvements and services, be measured in either slowing or curing the blighted conditions in the deteriorated areas which is the stated goal of the CDBG funded code enforcement activity? Therefore, there is no record from which to determine if the Code Enforcement activities have helped resolve the problems leading to the slum and blighted conditions of the deteriorated areas.

The Housing Element contains a field survey that indicates the needs for rehabilitation. For example, according to the survey 22% of the housing units within the Central Fresno area need moderate repairs with 60% of the units needing some level of repair.

While the Code Enforcement Department received more than \$3,000,000 in CDBG funds only \$353,688 of CDBG funds were allocated for actual repairs, so while a large proportion of CDBG funds were spent on code enforcement, only a very small amount was actually allocated to rehabilitate the homes.

The CAPER or Annual Action Plan should state the a substantial amount of CDBG funds will be allocated for both code enforcement activities and rehabilitation in a specific area, such as the Central Area that has a substantial need for rehabilitation.

Funding for New Construction and Rehabilitation.

Action Plan, 2, Implementation Plan E, states that the City would provide funding for the rehabilitation of 76 units of affordable housing. However the CAPER, Page 28, states that only 44 units of affordable housing were rehabilitated. Of the 44 units rehabilitated, 15 units were owner- occupied and 29 units were rental units. Since the annual goal was not met, what steps are being taken to meet next year's goals and to improve on the results of this year's plan?

DAP and LIHP Programs.

Action Plan 2, Implementation Plan C, states that 500 families would receive assistance through the DAP and LIHP programs. Annual Action Plan, Page 18. The CAPER, Page 30, states that the DAP

program would assist 440 families, but only 287 families were assisted. The CAPER, Page 31, states that 60 families would be assisted by LIHP program but only 48 families were assisted.

The 2000 median price for a new home in Fresno was \$160,000 and the 1999 average sales price of a house was \$118,418. Housing Element, Pg. 2-7 1. The housing market has increased, even in the past two years so the median new home price and average sales price of home are higher than the prices listed above.

However, the Down Payment Assistance Program states that the selling price of a home must be less than \$117,000.00 and the LIHP has a ceiling of \$97,000.00. Therefore, a person could not utilize either program to purchase a median price new home or an average sales price home.

The CAPER, Page 30-31, states that the City has recognized the dilemma in the disparity between the cost of new homes and of the program limits, but the CAPER does not state what specific steps it will put in place for the upcoming program year in order to enable program participants to purchase an average priced home or median priced home in the City.

The Consolidated Plan states that there is a need of more than \$1 billion to meet the affordable housing needs in the City of Fresno over the five-year Consolidated Plan. Obviously, there is no way that the City could raise that amount of capital.

Therefore, leveraging the limited dollars the City does receive for new affordable housing is vitally important. That is why projects such as Villa Del Mar and Casas San Miguel should be the rule and not the exception when determining which projects to fund with the City's limited housing dollars. Through those two projects, the City leveraged nearly \$1.5 million into more than \$9 million for the projects.

Action Plan 3, Redevelopment and Relocation, Implementation Plan B.

Despite the more than \$3 million of CDBG funds allocated to the Code Enforcement division, there is no mention of any money being allocated to relocation funds for tenants to move as a result of code enforcement activities. In fact, the City's Public Participation Plan specifically excepts tenants who are forced to relocate due to code enforcement from receiving relocation funds unless the code enforcement activity results in rehabilitation or demolition of the housing unit.

Therefore, according to the Public Participation Plan, a tenant who wishes to move as a result of a landlord failing to maintain a property up to code would be ineligible to receive relocation benefits.

AB 472 would not be applicable in these situations, since AB 472 only applies in situations where an enforcement agency has posted an order to vacate the premises.

The City should identify relocation funds that are available to tenants who move as a result of code enforcement activities, remove the exception to relocation funds for tenants who move as a result of code

enforcement activities, and formulate other plans to provide relocation funds for tenants who move as a result of code enforcement activities.

Action Plan 4, General Plan Update of the City's General Plan and Housing Element, Implementation Plan.

The CAPER, Pages 39-40, 46-47, states that the City will be monitoring of the General Plan and Housing Element, including Mixed-Income Opportunity Housing, Density Bonus, Higher Densities, and Minimum Density Development Standards. In reviewing past CAPERS, going back to at least the 1999, the same "monitoring" has been conducted each year on the same issues.

There are no comments in the 2001 CAPER that state that any actions have been taken by the City as a result of these years of the monitoring of the programs listed above. There is still a shortage of land designated for higher density development which translates to a lack of properly

zoned land for affordable housing units. Despite the continued monitoring there is no ordinance stating that all properties within the City's Sphere of Influence are to be zoned for urban densities or is there a Mixed Income Opportunity Housing ordinance. Finally, there are no comments on whether any developers have utilized the City's planned communities ordinance or that the utilization of the ordinance has resulted in any affordable housing units.

In fact, the Annual Action Plan for Fiscal Year 2003, Page 22-23, uses the same language in regards to the "fact" that the City will monitor Mixed Income Opportunity Housing, Density Bonus, Higher Densities, and Minimum Density Development Standards.

The Housing Element, Page 5-3 states that a "Density Bonus Policy is in place but has never been used. Since 1992, one housing application was processed, the project, however, was never built."

Despite the years of monitoring this issue, the 2001 CAPER, does not state any actions or policies being implemented to make the density bonus program more attractive to developers in order to provide affordable housing units. In fact, neither the Action Plan nor the CAPER states which City Department or City Personnel is responsible for the monitoring of the programs.

If the City is monitoring these issues, the annual CAPERs should reflect the results gathered from the monitoring and also report the successes or failures of the programs. If there are not yet any City ordinances regarding the above-stated issues, the CAPER should state the date by which the City will be drafting, proposing, and adopting such ordinances. The CAPER should also include which City Department will be responsible for drafting and proposing the ordinances.

The monitoring of the Housing Element has not resulted in the City meeting its requirement to provide ample properly zoned land for its housing needs.

The land, inventory within the City fails to provide sufficient sites needed for the Regional Housing Needs Allocation Plan of 17,905 new units. At this time the land zoned in City only has the capacity for 15,162 total units. Housing Element, Pg. 3-6

More importantly, the Housing Element fails to identify sufficient sites with appropriate zoning and infrastructure to accommodate Very Low, Other Low, and Moderate Income families. Historically, higher density land has been associated with affordable housing, as the higher densities allow a less expensive per unit building cost.

There is insufficient land zoned R-3 or R-4, to meet the Very Low and Other Low, Regional Housing Needs Allocation Plan of 3,722 of Very Low Income units and 2,667 Other Low Income units.

There are only 14 acres of R-3 and R-4 zoned land that could provide for 2,551 multi-family housing units, considered affordable housing units, while the City of Fresno's Regional Housing Needs Allocation Plan for Very Low and Other Low income families is 6,389 units. Housing Element 3-9.

The CAPER, Page 41, states that General Plan calls for 1,000 units of new infill housing, but there is no mention of the percentage of the 1,000 infill units that will be affordable housing units.

In regards to infill development, the Center City Development Committee "Report to the Mayor and City Council" dated April 20, 2000 states that "infill construction typically requires a subsidy of \$20,000 to \$40,000 on each residential unit." The report includes housing proposals that require \$30,000 to \$40,000 per unit subsidies. Subsidies are usually required for infill projects as the report states that the total cost of building the residential units exceed the market value of the homes by \$20,000 to \$40,000.

The Department of Housing and Neighborhood Revitalization has stated that infill housing often requires a double subsidy; one for the construction to provide a **profit** to the builder, and one for the renter/buyer to truly make the new unit affordable." Housing Element, Advisory Committee Meeting Minutes, October 15, 2001.

There is no mention of any specific programs within the CAPER, Housing Element, or General Plan that would not only make infill projects feasible, but also provide affordable housing.

The Analysis of Impediments to Fair Housing, Page 65, describes the FAMI lawsuit that was brought against the City in regard to a supportive housing project. The matter was resolved when both parties entered into a Consent Decree.

The CAPER, Page 41, mentions that the group homes' ordinance was revised, however it is believed that the revision to the group home ordinance is being reviewed in order to determine whether it is in accordance with the Consent Decree entered into in the FAMI case.

Pro-Active Zoning/Inner City Fee Reduction.

In order to meet this eligibility test, the CDBG-assisted activity must be "clearly designed to meet identifiable needs of low and moderate income people in the area."

It must be remembered that an area that is not primarily residential **does** not qualify under the Area **Benefit** Test.

The Inner City Fee Reduction Program includes many commercial areas that are not primarily residential in nature. As the CAPER states, many developers and business owners have benefitted from the program, but there is no mention of how low and moderate income people directly benefitted or if the developers or business owners were located in commercial or residential areas.

At the time that the fee reduction program was initiated, persons with multiple-family projects were required to obtain the City Council's approval in order to receive the fee reduction. The CAPER does not state whether this requirement has been removed or is still in effect. Is this restraint still in place?

CDBG funds should not be allocated to substitute for the City's General Fund or other funds. In this case, the CDBG funds are not substituting for General Fund or other City monies but are being collected by the City to go directly into the City's General Fund.

NON-HOUSING COMMUNITY DEVELOPMENT PLAN

Public Facilities Improvements, Action Plan 1.

The CAPER, Page 116, states that the City has drawn down CDBG funds of \$3,280,603.48 for Public Works-Street Improvements for the program year, leaving a balance of \$1,550,196.52.

The Proposed City Budget, Page 472, See Attachment B to this letter, indicates that only \$1,189,600 of CDBG funds were received by the Public Works Department in fiscal year ending June 30,2002, yet the Annual Action Plan, Page 44, states that more than \$4,500,000 was allocated to the Public Works Department.

Nowhere in the Fiscal Year 2003 Proposed City Budget for the Public Works Department, Pages 473-498, are any other CDBG funds listed other than \$1,189,600 stated above. If the Public Works Department did not receive the nearly \$4,500,000 for streets and concrete reconstruction, which City Department received the money? Why did another City department receive the money if it was to go to the Public Works Department?

The City Budget also states that there was nearly a \$180,000 held back for a contingency. Is that money to revert into the General Fund? Why was the money not spent if it is not substituting for General Fund money?

Neighborhood Street Improvement Projects.

The CAPER, Page 48, states that the City is continuing its program to upgrade the infrastructure in low and moderate-income neighborhoods and that this past program year the City has focused on eight new neighborhoods in CDBG areas.

The CAPER states that it is using CDBG monies, along with Fresno gas tax funds, Measure C, and other sources in order to fund the projects. However, the CAPER does not state the amount of the funding sources other than CDBG funds used to fund the neighborhood street improvement projects.

What is the amount of CDBG money being spent on streets and concrete reconstruction in the "focused neighborhoods?" What is the total amount of the City's General Fund money and other sources being budgeted in the same areas? Are CDBG funds being substituted for General Fund and other funding sources to fund these neighborhood projects?

How much money from the General Fund did the City budget toward infrastructure improvements in CDBG areas? How much money from other City funding sources did the city budget toward infrastructure improvements in CDBG areas?

Concrete Reconstruction.

The CAPER, Page 51, states that concrete reconstruction was performed due to damage and that "Much of the damage was a result of tree roots." If that is the case, under 24 C.F.R. 570.207, examples of ineligible activities include the maintenance and repair repairing cracks in the sidewalk. Wouldn't the concrete reconstruction be an ineligible activity?

Council District Infrastructure.

The CAPER, Page 51, states that CDBG funds are provided to City Council Districts for infrastructure improvement projects and that "generally" these funds are spent on neighborhood parks, sidewalk, curb, gutter, and street reconstruction.

An article in the Fresno Bee, dated October 2, 2002, states that the Council Infrastructure allows for 5 % of the fund to be used for "public services." Isn't it correct to state that if any of the CDBG money in the Council Infrastructure is used for public services, than more than 15% of the total CDBG funds would be spent on public services when added to the 15% of CDBG money allocated to public services? What amount of CDBG funds from the Council District Infrastructure fund was used on public services?

Problem Oriented Policing (POP).

Federal regulations limit CDBG funds to be used for public services which are either brand new or a significant, measurable increase in the level of service previously provided. 24 C.F.R. 201(e). The purpose of this limitation is to minimize the substitution of CDBG money for other local or state revenues.

The CAPER, Page 61, states that "POP programs were put into place first in the Central District of Fresno, then quickly expanded throughout the City." The CAPER does not indicate whether the POP program was initially funded by CDBG funds or not. Nor does the CAPER indicate the amount of General Fund monies, or other City funds, that were used to fund POP teams in CDBG areas and non-CDBG areas for the past program year.

The amount of CDBG funds allocated to the POP teams in the 2001 Program year was \$1,295,944. According to recent comment by a police official in a Fresno Bee article, the average cost of a new police officer is \$60,000 per year. Therefore, CDBG funds allocated to the POP teams would provide for approximately 21 police officers.

Since the POP team is being funded as a public service, the 21 police officers funded by CDBG funds should be assigned to CDBG areas in addition to the "normal" complement of POP officers assigned to each policing area. What is the number of POP officers assigned to the City's five policing areas, respectively? What is the number of CDBG funded POP officers in each policing area, respectively?

Since CDBG monies pay only for those POP teams in CDBG areas, do the five policing areas' boundaries mirror the CDBG area boundaries?

Under the Crime Awareness Action Plan, the Implementation plan states that the objective of the POP program is to reduce "crime by 5% per year." If the goal is a reduction of crime by 5%, how is it determined whether the goal was met as the CAPER refers *only to City-wide crime statistics* and not to the crime rate within the CDBG areas. Shouldn't the crime statistics be broken down by CDBG areas? What was the decrease/increase in the crime rate for CDBG eligible neighborhoods?

The CAPER, Page 93, states that the Police Department, in order to address the rise in crime in the City has introduced Crime Suppression Teams in lower income neighborhoods. Hasn't the recent re-organization of the Fresno City Police Department led to Crime Suppression Teams being formed in all of the five policing areas in City, not just the lower income neighborhoods?

ANTI-POVERTY PLAN

Continuum of Care Plan.

The CAPER, Page 69-70, states that the City not only worked to form the Continuum of Care but also provides advice and support. Though, these statements reflect a participation and involvement in the Continuum, they do not equate into financial support. According to the City's Housing and Community Development Commission, the Commission ranked the Continuum's application for CDBG funds 10th out of 29 applications. However, the City ignored the Commission's recommendation and did not award the Continuum CDBG funds.

The Continuum did not receive any CDBG funds, although the Anti-Poverty Action Plan, Implementation Plans B and C, state that the City shall assist the Continuum to in seeking "additional ESG, SHP, and other federal and private foundation funds" and that the City will work with the Continuum to

"facilitate development of a centralized computer system and related software" in order to assist various agencies to improve and facilitate their services.

Despite these plans, the Continuum's proposal for CDBG funds that was denied included funding for a "computer person" in order to develop the centralized computer system and related software to provide for an information sharing and referral system.

Emergency Shelter Grant Program.

The CAPER, Page 71, states that the City will continue "to fund shelters for the homeless and to carry out on-site monitoring." However, the CAPER fails to indicate the amount of funding that the City provided to the homeless shelters and agencies.

The 2002 CAPER refers to the Continuum of Care's homeless street survey. The Homeless Survey states that there are 8,824 homeless persons in the City of Fresno. Homeless Access to Care Survey, Fresno Madera Continuum of Care, May 2002.

The Housing Element, Page 2-37 states that there is only shelter for 45% of those who need emergency housing, as there are only 1,150 beds for temporary shelter. However, those numbers are based on an estimate of 2,555 homeless people in the City, but as stated above there are 8,824

homeless persons in the City. Therefore, there would be a shortage of more than 7,600 beds. (8824 homeless persons - 1150 beds = 7674 beds needed).

During the program year what homeless shelters and agencies received City funds from the City? What amounts of CDBG funds were provided to homeless shelters and agencies during the program year? What was the number of new transitional or emergency beds that were created by the award of City funds?

The CAPER does mention that ESG funds were awarded to six agencies. What was the number of new transitional or emergency beds that were created by the award of the ESG funds?

External Support - Public Services.

The CAPER, Page 75, states that in 2000 the City chose to account for its fair housing program as an administrative cost to allocate a greater share of its funds to public services, and the practice was continued this program year.

Though changes in the accounting administrative costs were made with the purpose of freeing up more money for public service activities, the Police Department has received the bulk of the increase. In the 1999 Program year, the Police Department received \$1,203,100 and in the 2001 Program year the Police Department received \$1,295,944, an increase in funding of \$92,844. This has resulted in the Police Department receiving 92%, or \$1,295,944, of the CDBG funds allocated for public services in the 2001 Program year. Has the increase in funding resulted the hiring of additional

POP officers? If so, how many additional officers were hired? The City Budget indicates that CDBG funds allocated to the Police Department are used only for personnel costs. If no new officers were hired, isn't it correct to state that CDBG funds were used to substitute for the City's General Fund or other finding sources?

While, funding for the other public services organizations, Care Fresno and Consumer Credit Counseling has remained at the same levels the last two years, \$60,000 and \$25,000 respectively. In the meantime, funding for the Fair Housing Council has gone from \$60,000 in Program Year 1999 to \$50,000 this year.

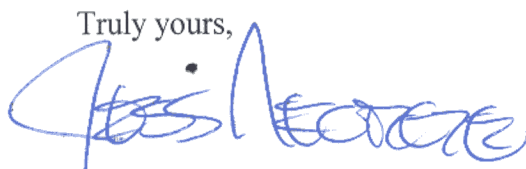
CDBG funding for outside agencies (Non-City Agencies) providing public services has decreased 30% since the fiscal year 1999. In the fiscal year 1999, \$191,800 was awarded to outside agencies while in the fiscal year 2002 only \$135,000 was awarded to outside agencies. Of the \$135,000 granted to outside agencies, nearly one-half of that amount, or \$60,000, was awarded to Care Fresno, a non-profit agency that has ties to the Fresno Police Department.

The \$135,000 represents only 1.07% of the last years' total CDBG allocation of \$12,597,165.

The CAPER, Page 94, states that the City "continues to have an excellent track record in timely funding drawdowns and project completions." With \$11,867,944 of the \$12,597,344 CDBG funds total going to directly to City Departments, the City should have an excellent track

record in drawing down CDBG funds since the CDBG funds go to pay personnel and non-personnel costs for the various City departments in varying degrees.

We understand the difficulty in addressing the various, as well as pressing needs, for the City's low income population when viewed against the limited amount of funds that are available. Our comments are focused on ensuring that the primary objective of the CDBG program is met, that is that the City's CDBG programs benefit principally persons of low and moderate income.

Truly yours,

Jess Negrete
Attorney at Law

cc: Fred D. Burkhardt Steve Sachs Michael Dawe



October 10, 2002

Mr. Jess Negrete
Central California Legal Services
2014 Tulare Street, Suite 600
Fresno, CA 93721

Dear Mr. Negrete:

Thank you for your comments on the City of Fresno Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2001. Based on your comments a few changes will be made to the CAPER. Below is a response to your concerns:

Technical Support for Tax Credit Applications: The goal was to assist three applications and we assisted two. The fiscal year 2001-2002 climate in the California Tax Credit Allocation Committee was one favoring existing “at risk units” that might be lost to low- and very-low income residents because the units were due to be released from their low-income provisions. For this reason Westgate Gardens was a strong contender in the competition. The second category receiving Committee attention was a group referred to as “special needs.” Because of the limited focus by the Committee, most developers did not enter the competition or were not awarded tax credits because they were unaware of the need to reconfigure their project for “special needs.” Applying for tax credits is a long and expensive process for developers; they must evaluate the risk related to receiving an award from the Committee. The City continues its focus on opportunities for supporting the tax credit projects submitted by willing developers.

The City supported each application that was submitted to the State. Tax Credit Applications were originally discussed under New Construction (Goal 1), but because the State has directed most of the funding toward the rehabilitation of “at risk” projects, discussion of tax credits in the CAPER has been shifted to rehabilitation (Goal 2). The City does not have control over the number or type of tax credit projects that are submitted for funding or approved by the State. However it should be noted that the City is working with a developer of a new rental construction project in Southeast Fresno which would use a combination of tax credits and HOME funds. Since the City did not make a commitment in the CAPER reporting period, it was not mentioned. As you are probably aware, these types of projects may take more than a couple years to put together and complete.

DAP and LIHP Programs (Pages 6 and 7)

With the unfortunate overlap of the Annual Action Plan for the upcoming fiscal year and work underway for a current year, sometimes there is confusion as to what happened when. The Department of Housing and Neighborhood Revitalization (now the Department of Housing, Economic and Community Development) recognized a downward trend in the use of the DAP and LIHP programs when predictions were being made for FY 2001-2002. Those predictions were made in Jan/Feb of 2001. The numbers reflected in the CAPER are based on actual experience of FY 2001-2002. In February 2002, the estimates were lowered (based on only six months of data) for the upcoming fiscal year 2002-2003. In June 2002, HECD staff initiated the steps required through the U.S. Department of Housing and Urban Development in order to obtain technical assistance for the DAP and LIHP Programs. The assistance contract was awarded after the end of the fiscal year and, therefore, is not a part of the data for the CAPER. The scope of assistance has since been increased to include the rehabilitation programs. Progress on this activity will be reported in a future CAPER.

Code Enforcement:

The national objective of code enforcement as a low and moderate income benefit has been correctly reported in HUD's information disbursement system and in the Annual Action Plan. Yet the City has incorrectly indicated in the CAPER narrative that the national objective for the program was prevention or elimination of slums and blight. We appreciate you catching that error and the final CAPER will be changed.

Various code enforcement cases do not require the same amount of time and resources. Specific line items do not need to reflect the proportional amounts of expenditures in each fund, although the overall budget does. The CDBG percentage of 72.78% is based on the proportional cost of enforcement, not the number of cases. Budget line items also reflect that the deployment of resources may not always be proportional.

The \$329,900 figure you refer to as the upcoming year (FY 2002-2003) increase is what the Department applied for, and was significantly higher than what was actually adopted by the City Council. In addition, the number of employees in the budget does not reflect the actual number of persons employed.

Relocation:

The City did not have any instance which would have triggered AB472 during the reporting period. However, this year, there have been two instances. The City routinely identifies relocation funds and programs available to the tenants who must move as a result of code enforcement activities.

The majority of housing code enforcement issues requiring rehabilitation are occupied by tenants.

Owners of these housing units usually use private funds to rehabilitate their properties. They are not required, nor willing, to disclose the amount or source of funds required in correcting the code deficiencies. Code enforcement measures the effectiveness of compliance.

Inner City Fee Reduction Program:

The inner city fee reduction program was initially established to stimulate new development and job growth in an area which would benefit the needs of low and moderate income residents. The lack of entitlement activity preceding the implementation of the program directly corresponds to the economic health of residents and neighborhood businesses. Entitlement activity in the city's fringe areas was staggering compared with the activity in the proposed fee reduction area thereby pushing job availability, neighborhood services and pride of ownership away from those residents which need it most. The inner city fee reduction has been a factor in stimulating activity. Since 1996, inner city entitlements have increased 55% while fringe development has decreased 9%. Along with the increase, new job development, investment in employee service needs, retention and reinvestment in existing businesses has increased.

The Planning and Development Department operates as an enterprise fund. It functions entirely on fees for services generated by entitlements and building permits. General Fund monies do not subsidize the Department at this time. The CDBG funds directly offset a portion of the fee reductions. The Department sustains a substantial revenue loss to enterprise funds on an annual basis due to the Inner City Fee Reduction Program. The CDBG funds subsidize approximately forty-percent of the revenue loss. The development community's fees for service subsidize the remaining sixty-percent.

Housing Element and General Plan:

The City of Fresno adopted an updated Housing Element to the General Plan on June 18, 2002 which was at the end of the CAPER reporting period. At the time of adoption, it was the consensus of the Interagency Housing Task Force and the City Council that— given the resources available— the goals, policies and programs included in the Element were the most appropriate ones for the City. Chapter V of the updated Housing Element evaluated City accomplishments related to goals, policies and programs of the previous Housing Element. The evaluation done as a part of the Housing Element update will always be the most extensive one. Annual monitoring of the new element will not commence until mid-2003, one year after adoption, and will be done by the Planning and Development Department. The City continues its effort to meet housing needs. The State and Federal governments as well as the private sector and non-profit organizations must be partners in this effort. City budget constraints may continue to limit the staffing levels available to carry out various program goals.

Chapter III of the new Housing Element discusses land available for housing construction (pages 3-5 through 3-8). This discussion indicates that with the addition of various pending annexations to the City, land supply (vacant land with zoning in place) will be adequate for the Housing Element planning period which extends to July 1, 2007. The table on page 3-6 of the element indicates that 13 acres of land in the R-4 zone category was available and would accommodate 396 housing units. It indicates that 101 acres were available in the R-3 zone category and would accommodate 2,155 units. There

was capacity of 404 units in the R-P zone category and for 1,239 units in the C-P zone category. There is a map available in the Planning and Development Department that shows where the parcels shown in the land inventory are located. An additional

amount of land already planned for residential uses is also available within the current City Sphere of Influence. Several applications to rezone land consistent with the land use designations for multiple family housing have been received after the time that the land inventory was prepared and are currently under evaluation by the City Planning and Development Department. The Draft 2025 General Plan would not only increase densities allowed in the current City Sphere of Influence, removing previous urban reserve areas, but it would also extend the Sphere. It is noted that the availability of land at varying densities does not, in and of itself, assure that affordable housing will be provided for all of the low and moderate income households in the City. Employment levels, interest rates, the payment of living wages, levels of immigration, levels of government subsidies, the overall level of revenues available to the City, etc. all affect the ability to provide and obtain adequate and affordable housing. Though the City would like to meet the legitimate needs of all interest groups, it is beyond the City's power and financial resources to do so.

Chapter VI of the Housing Element sets time lines and establishes responsibility for carrying out new goals, policies, and programs. These are to be carried out during the Housing Element time period which just commenced and which extends until July 1, 2007. These would include the adoption of the 2025 General Plan (Planning Commission hearings are concluding and City Council hearings are scheduled for October of 2002), changes to the inner city fee program that would make it more attractive for multiple family investment, revision to the City Municipal Code including more workable standards for mixed use projects, and some pro-active rezoning.

The City's Planning and Development Department is currently focusing on the difficult task of completing the update of the City General Plan. Public hearings are currently underway. Much of the City's ability to provide adequate land for all types of housing depends not only on Plan adoption but on approval of an expanded Sphere of Influence and the financing of needed City services related to infrastructure such as sewer treatment and related transmission lines, the provision of additional water supply and improvement of water quality, the provision of streets, highways, bus service, parks, etc.

In terms of the Mayor's proposal to build 1,000 new units of infill housing, not all are likely to be targeted for low and moderate income households as many older neighborhoods are already stratified with these income groups and some housing for higher income groups needs to be added to the mix.

It is not true that there are no programs in the CAPER or in the Housing Element to make infill projects feasible. Refer to Tables 6-2 and 6-3 on pages 6-17 and 6-18. There is, however, a strong emphasis on the rehabilitation of housing to help preserve existing affordable housing stock.

It needs to be restated that the CAPER principally details progress of the City as it relates to subsidized housing programs and the Housing Element addresses a broader range of housing strategies, in

particular, the availability of an adequate land supply. Although there is overlap between the documents, it may be unrealistic, given current staffing levels, to expect detailed summaries of accomplishments on housing element goals through the CAPER monitoring process.

The status of the group homes ordinance and compliance with the Consent Decree entered into in the FAMI case is currently undergoing legal review and is subject to confidentiality requirements until the issues are settled. As of July 14, 2002, when the reporting period was completed, the issue was not settled.

The City is making a good faith effort to provide affordable housing with the resources available and, through City Council action, has set priorities for how available funds are allocated.

Public Works Programs:

Regarding your questions about the alleged discrepancies to the public works budget, we cannot determine where you obtained your figures. The budget matches the Program Year 2002 Annual Action Plan, even though this CAPER refers to the prior year. The confusion may center upon the fact that neither budget document nor the Annual Action Plan include the funds that were carried over for a prior year project or program. The budget which is prepared several months prior to the close of the fiscal year has to estimate what will be spent by the end of the fiscal year and therefore available for another project. There may also be a problem with comparing budget, final expenditures and the chart on page 116. What we are able to draw down from HUD by the end of the fiscal year, may not match what was actually expended in the fiscal year. It depends on whether the accountant was able to receive all the information from the various departments prior to the final draw down.

Concrete Reconstruction: The difference between reconstruction and maintenance has always been a fine line. HUD has ruled that if the City is replacing the sidewalk, as in the City's project, it is eligible. If it is filling in the cracks or doing a temporary fix, then it is maintenance. The work that the City is performing in correcting the damage as a result of tree roots is clearly eligible under HUD's interpretation of the CDBG regulations.

Council Infrastructure: In reference to the Fresno Bee article, they have their facts wrong. None of these funds were used for public services. If the City Council were to fund such a program, it would be classified differently for HUD reporting, because it is subject to the public services cap of 15%, just like any other CDBG-funded public service.

Problem Oriented Policing (POP):

The City has funded the POP Teams for several years with CDBG funds. It was a successful program in the CDBG target areas and based upon that success was expanded to other parts of the City using other funds. That does not constitute a substitution of other funds. The CDBG funding levels have remained static and the CAPER is not required to describe the program or funding allocations outside the CDBG area. The CAPER fully discloses that crime reduction goals were not met and in fact crime

has increased. That is why the City initiated changes in their crime prevention programs by introducing Crime Suppression Teams. This did not result in the allocation of additional CDBG funds.

POP teams were recently reduced from 10 officers per district to 2 POP officers per District. The former POP positions were re-deployed into the Districts in the form of District Crime Suppression Team officers (DCST). They make up one element of the Police Department's proactive patrol force. Downtown Policing Unit and Mounted Patrol officers make up the rest and are specifically assigned to the downtown corridor of Fresno. On occasion, they respond to crime problems (drugs, robberies and gang related problems) outside of the Downtown boundary but within the Southwest District. Most of these proactive resources are assigned to the areas taking in the CDBG boundaries.

Police crime data cannot be extracted based upon CDBG boundaries. It was not designed with that function in mind. The number of proactive patrol officers assigned to the various districts is shown below:

Southwest District-10
Southwest Downtown Policing Unit- 12
Southwest Mounted Patrol- 6
Central District-18
Southeast District-16
Northeast District-13
Northwest District-13

The public comment response letter references the cost of a new officer as \$60,000. POP officers are typically senior officers who have spent anywhere from 3-5 years in patrol. These senior officers are compensated at a higher rate of pay, thus the actual cost per officer varies.

Emergency Shelter:

We believe that the CAPER is clear regarding the agencies funded with CDBG, ESG and other City resources for homeless shelters. The City has looked to the Continuum of Care to provide guidance on the use of ESG funds. While eligible, City ESG funds have not traditionally been used to create or expand facilities. Instead, they have legitimately been used to support the operations of qualified homeless agencies. If your agency strongly believes that the City should shift these ESG resources away from existing shelters being provided support services, then it should make that proposal to the Continuum of Care Collaborative.

Miscellaneous Comments:

Crossroads: The City has been working closely with both HUD and Habitat for Humanity in trying to resolve their noncompliance problems. It was hoped that with a new executive director and board of directors at Habitat that these compliance problems could be resolved but this has recently proved to be incorrect. The City intends to work with HUD to take corrective action in the coming months to address these compliance issues.

It should also be noted that the Redevelopment Agency has never had any money in this project. If the RDA has State redevelopment law compliance problems with failing to provide sufficient replacement housing, it is not because of this project. The City is unaware of an agreement between Habitat for Humanity and the RDA; or an agreement between the RDA and the City to count any, or all, of the 89 units at Crossroads toward the RDA's replacement housing goals. Speculation on this matter is inappropriate for the CAPER.

If there is a concern that the RDA may not be meeting its replacement housing requirements, it is suggested that your agency contact the RDA.

Homebuyer Training Programs: The prospective home buyers are required to participate in a lender-sponsored homebuyer training program to qualify for the DAP and LIHP programs. Therefore 287 families received training in addition to the 262 families in the Consumer Credit Counseling Program for a total of 549 families. This exceeded our goal of 400 families. Our CAPER will be revised to indicate that goal being met.

Accomplishments Chart: The City will provide the attached chart as an addendum in the final CAPER that compares the Annual Action Plan goals and the CAPER accomplishments since there appears to have been some confusion on that matter.

We trust that this addresses your concerns. If you have any further questions, please address those concerns to me at (559) 621-8507.

Sincerely

N. Dean Huseby
Management Analyst III

C:\Documents and Settings\allens.A55530\Local Settings\Temp\Copy of G- Self Eval through HUD HOME Match.wpd



October 10, 2002

Mr. Jess Negrete
Central California Legal Services
2014 Tulare Street, Suite 600
Fresno, CA 93721

Dear Mr. Negrete:

Thank you for your comments on the City of Fresno Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2001. Based on your comments a few changes will be made to the CAPER. Below is a response to your concerns:

Technical Support for Tax Credit Applications: The goal was to assist three applications and we assisted two. The fiscal year 2001-2002 climate in the California Tax Credit Allocation Committee was one favoring existing "at risk units" that might be lost to low- and very-low income residents because the units were due to be released from their low-income provisions. For this reason Westgate Gardens was a strong contender in the competition. The second category receiving Committee attention was a group referred to as "special needs." Because of the limited focus by the Committee, most developers did not enter the competition or were not awarded tax credits because they were unaware of the need to reconfigure their project for "special needs." Applying for tax credits is a long and expensive process for developers; they must evaluate the risk related to receiving an award from the Committee. The City continues its focus on opportunities for supporting the tax credit projects submitted by willing developers.

The City supported each application that was submitted to the State. Tax Credit Applications were originally discussed under New Construction (Goal 1), but because the State has directed most of the funding toward the rehabilitation of "at risk" projects, discussion of tax credits in the CAPER has been shifted to rehabilitation (Goal 2). The City does not have control over the number or type of tax credit projects that are submitted for funding or approved by the State. However it should be noted that the City is working with a developer of a new rental construction project in Southeast Fresno which would use a combination of tax credits and HOME funds. Since the City did not make a commitment in the CAPER reporting period, it was not mentioned. As you are probably aware, these types of projects may take more than a couple years to put together and complete.

DAP and LIHP Programs (Pages 6 and 7)

With the unfortunate overlap of the Annual Action Plan for the upcoming fiscal year and work underway for a current year, sometimes there is confusion as to what happened when. The Department of Housing and Neighborhood Revitalization (now the Department of Housing, Economic and Community Development) recognized a downward trend in the use of the DAP and LIHP

programs when predictions were being made for FY 2001-2002. Those predictions were made in Jan/Feb of 2001. The numbers reflected in the CAPER are based on actual

experience of FY 2001-2002. In February 2002, the estimates were lowered (based on only six months of data) for the upcoming fiscal year 2002-2003. In June 2002, HECD staff initiated the steps required through the U.S. Department of Housing and Urban Development in order to obtain technical assistance for the DAP and LIHP Programs. The assistance contract was awarded after the end of the fiscal year and, therefore, is not a part of the data for the CAPER. The scope of assistance has since been increased to include the rehabilitation programs. Progress on this activity will be reported in a future CAPER.

Code Enforcement:

The national objective of code enforcement as a low and moderate income benefit has been correctly reported in HUD's information disbursement system and in the Annual Action Plan. Yet the City has incorrectly indicated in the CAPER narrative that the national objective for the program was prevention or elimination of slums and blight. We appreciate you catching that error and the final CAPER will be changed.

Various code enforcement cases do not require the same amount of time and resources. Specific line items do not need to reflect the proportional amounts of expenditures in each fund, although the overall budget does. The CDBG percentage of 72.78% is based on the proportional cost of enforcement, not the number of cases. Budget line items also reflect that the deployment of resources may not always be proportional.

The \$329,900 figure you refer to as the upcoming year (FY 2002-2003) increase is what the Department applied for, and was significantly higher than what was actually adopted by the City Council. In addition, the number of employees in the budget does not reflect the actual number of persons employed.

Relocation:

The City did not have any instance which would have triggered AB472 during the reporting period. However, this year, there have been two instances. The City routinely identifies relocation funds and programs available to the tenants who must move as a result of code enforcement activities.

The majority of housing code enforcement issues requiring rehabilitation are occupied by tenants. Owners of these housing units usually use private funds to rehabilitate their properties. They are not required, nor willing, to disclose the amount or source of funds required in correcting the code deficiencies. Code enforcement measures the effectiveness of compliance.

Inner City Fee Reduction Program:

The inner city fee reduction program was initially established to stimulate new development and job

growth in an area which would benefit the needs of low and moderate income residents. The lack of entitlement activity preceding the implementation of the program directly corresponds to the economic health of residents and neighborhood businesses. Entitlement activity in the city's fringe areas was staggering compared with the activity in the proposed fee reduction area thereby

pushing job availability, neighborhood services and pride of ownership away from those residents which need it most. The inner city fee reduction has been a factor in stimulating activity. Since 1996, inner city entitlements have increased 55% while fringe development has decreased 9%. Along with the increase, new job development, investment in employee service needs, retention and reinvestment in existing businesses has increased.

The Planning and Development Department operates as an enterprise fund. It functions entirely on fees for services generated by entitlements and building permits. General Fund monies do not subsidize the Department at this time. The CDBG funds directly offset a portion of the fee reductions. The Department sustains a substantial revenue loss to enterprise funds on an annual basis due to the Inner City Fee Reduction Program. The CDBG funds subsidize approximately forty-percent of the revenue loss. The development community's fees for service subsidize the remaining sixty-percent.

Housing Element and General Plan:

The City of Fresno adopted an updated Housing Element to the General Plan on June 18, 2002 which was at the end of the CAPER reporting period. At the time of adoption, it was the consensus of the Interagency Housing Task Force and the City Council that— given the resources available— the goals, policies and programs included in the Element were the most appropriate ones for the City. Chapter V of the updated Housing Element evaluated City accomplishments related to goals, policies and programs of the previous Housing Element. The evaluation done as a part of the Housing Element update will always be the most extensive one. Annual monitoring of the new element will not commence until mid-2003, one year after adoption, and will be done by the Planning and Development Department. The City continues its effort to meet housing needs. The State and Federal governments as well as the private sector and non-profit organizations must be partners in this effort. City budget constraints may continue to limit the staffing levels available to carry out various program goals.

Chapter III of the new Housing Element discusses land available for housing construction (pages 3-5 through 3-8). This discussion indicates that with the addition of various pending annexations to the City, land supply (vacant land with zoning in place) will be adequate for the Housing Element planning period which extends to July 1, 2007. The table on page 3-6 of the element indicates that 13 acres of land in the R-4 zone category was available and would accommodate 396 housing units. It indicates that 101 acres were available in the R-3 zone category and would accommodate 2,155 units. There was capacity of 404 units in the R-P zone category and for 1,239 units in the C-P zone category. There is a map available in the Planning and Development Department that shows where the parcels shown in the land inventory are located. An additional amount of land already planned for residential uses is also available within the current City Sphere of Influence. Several applications to rezone land consistent with the land use designations for multiple family housing have been received after the time that the land inventory was prepared and are currently

under evaluation by the City Planning and Development Department. The Draft 2025 General Plan would not only increase densities allowed in the current City Sphere of Influence, removing previous urban reserve areas, but it would also extend the Sphere. It is noted that the availability of land at varying densities does not, in and of itself, assure that affordable housing will be provided for all of the low and moderate income

households in the City. Employment levels, interest rates, the payment of living wages, levels of immigration, levels of government subsidies, the overall level of revenues available to the City, etc. all affect the ability to provide and obtain adequate and affordable housing. Though the City would like to meet the legitimate needs of all interest groups, it is beyond the City's power and financial resources to do so.

Chapter VI of the Housing Element sets time lines and establishes responsibility for carrying out new goals, policies, and programs. These are to be carried out during the Housing Element time period which just commenced and which extends until July 1, 2007. These would include the adoption of the 2025 General Plan (Planning Commission hearings are concluding and City Council hearings are scheduled for October of 2002), changes to the inner city fee program that would make it more attractive for multiple family investment, revision to the City Municipal Code including more workable standards for mixed use projects, and some pro-active rezoning.

The City's Planning and Development Department is currently focusing on the difficult task of completing the update of the City General Plan. Public hearings are currently underway. Much of the City's ability to provide adequate land for all types of housing depends not only on Plan adoption but on approval of an expanded Sphere of Influence and the financing of needed City services related to infrastructure such as sewer treatment and related transmission lines, the provision of additional water supply and improvement of water quality, the provision of streets, highways, bus service, parks, etc.

In terms of the Mayor's proposal to build 1,000 new units of infill housing, not all are likely to be targeted for low and moderate income households as many older neighborhoods are already stratified with these income groups and some housing for higher income groups needs to be added to the mix.

It is not true that there are no programs in the CAPER or in the Housing Element to make infill projects feasible. Refer to Tables 6-2 and 6-3 on pages 6-17 and 6-18. There is, however, a strong emphasis on the rehabilitation of housing to help preserve existing affordable housing stock.

It needs to be restated that the CAPER principally details progress of the City as it relates to subsidized housing programs and the Housing Element addresses a broader range of housing strategies, in particular, the availability of an adequate land supply. Although there is overlap between the documents, it may be unrealistic, given current staffing levels, to expect detailed summaries of accomplishments on housing element goals through the CAPER monitoring process.

The status of the group homes ordinance and compliance with the Consent Decree entered into in the FAMI case is currently undergoing legal review and is subject to confidentiality requirements until the issues are settled. As of July 14, 2002, when the reporting period was completed, the issue was not

settled.

The City is making a good faith effort to provide affordable housing with the resources available and, through City Council action, has set priorities for how available funds are allocated.

Public Works Programs:

Regarding your questions about the alleged discrepancies to the public works budget, we cannot determine where you obtained your figures. The budget matches the Program Year 2002 Annual Action Plan, even though this CAPER refers to the prior year. The confusion may center upon the fact that neither budget document nor the Annual Action Plan include the funds that were carried over for a prior year project or program. The budget which is prepared several months prior to the close of the fiscal year has to estimate what will be spent by the end of the fiscal year and therefore available for another project. There may also be a problem with comparing budget, final expenditures and the chart on page 116. What we are able to draw down from HUD by the end of the fiscal year, may not match what was actually expended in the fiscal year. It depends on whether the accountant was able to receive all the information from the various departments prior to the final draw down.

Concrete Reconstruction: The difference between reconstruction and maintenance has always been a fine line. HUD has ruled that if the City is replacing the sidewalk, as in the City's project, it is eligible. If it is filling in the cracks or doing a temporary fix, then it is maintenance. The work that the City is performing in correcting the damage as a result of tree roots is clearly eligible under HUD's interpretation of the CDBG regulations.

Council Infrastructure: In reference to the Fresno Bee article, they have their facts wrong. None of these funds were used for public services. If the City Council were to fund such a program, it would be classified differently for HUD reporting, because it is subject to the public services cap of 15%, just like any other CDBG-funded public service.

Problem Oriented Policing (POP):

The City has funded the POP Teams for several years with CDBG funds. It was a successful program in the CDBG target areas and based upon that success was expanded to other parts of the City using other funds. That does not constitute a substitution of other funds. The CDBG funding levels have remained static and the CAPER is not required to describe the program or funding allocations outside the CDBG area. The CAPER fully discloses that crime reduction goals were not met and in fact crime has increased. That is why the City initiated changes in their crime prevention programs by introducing Crime Suppression Teams. This did not result in the allocation of additional CDBG funds.

POP teams were recently reduced from 10 officers per district to 2 POP officers per District. The former POP positions were re-deployed into the Districts in the form of District Crime Suppression Team officers (DCST). They make up one element of the Police Department's proactive patrol force. Downtown Policing Unit and Mounted Patrol officers make up the rest and are specifically

assigned to the downtown corridor of Fresno. On occasion, they respond to crime problems (drugs, robberies and gang related problems) outside of the Downtown boundary but within the Southwest District. Most of these proactive resources are assigned to the areas taking in the CDBG boundaries.

Police crime data cannot be extracted based upon CDBG boundaries. It was not designed with that function in mind. The number of proactive patrol officers assigned to the various districts is shown below:

Southwest District-10
Southwest Downtown Policing Unit- 12
Southwest Mounted Patrol- 6
Central District-18
Southeast District-16
Northeast District-13
Northwest District-13

The public comment response letter references the cost of a new officer as \$60,000. POP officers are typically senior officers who have spent anywhere from 3-5 years in patrol. These senior officers are compensated at a higher rate of pay, thus the actual cost per officer varies.

Emergency Shelter:

We believe that the CAPER is clear regarding the agencies funded with CDBG, ESG and other City resources for homeless shelters. The City has looked to the Continuum of Care to provide guidance on the use of ESG funds. While eligible, City ESG funds have not traditionally been used to create or expand facilities. Instead, they have legitimately been used to support the operations of qualified homeless agencies. If your agency strongly believes that the City should shift these ESG resources away from existing shelters being provided support services, then it should make that proposal to the Continuum of Care Collaborative.

Miscellaneous Comments:

Crossroads: The City has been working closely with both HUD and Habitat for Humanity in trying to resolve their noncompliance problems. It was hoped that with a new executive director and board of directors at Habitat that these compliance problems could be resolved but this has recently proved to be incorrect. The City intends to work with HUD to take corrective action in the coming months to address these compliance issues.

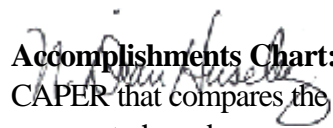
It should also be noted that the Redevelopment Agency has never had any money in this project. If the RDA has State redevelopment law compliance problems with failing to provide sufficient replacement housing, it is not because of this project. The City is unaware of an agreement between Habitat for Humanity and the RDA; or an agreement between the RDA and the City to count any, or all, of the 89

units at Crossroads toward the RDA's replacement housing goals. Speculation on this matter is inappropriate for the CAPER.

If there is a concern that the RDA may not be meeting its replacement housing requirements, it is suggested that your agency contact the RDA.

Home Buyer Training Programs: The prospective home buyers are required to participate in a lender-sponsored home buyer training program to qualify for the DAP and LIHP programs.

Therefore 287 families received training in addition to the 262 families in the Consumer Credit Counseling Program for a total of 549 families. This exceeded our goal of 400 families. Our CAPER will be revised to indicate that goal being met.

 **Accomplishments Chart:** The City will provide the attached chart as an addendum in the final CAPER that compares the Annual Action Plan goals and the CAPER accomplishments since there appears to have been some confusion on that matter.

We trust that this addresses your concerns. If you have any further questions, please address those concerns to me at (559) 621-8507.

Sincerely

N. Dean Huseby
Management Analyst III